

Minutes
CARIBBEAN BEACH CLUB ASSOCIATION, INC.
Board of Directors Regular Meeting
Ft. Myers Beach, FL

August 12-13, 2013

I. CALL TO ORDER/ROLL CALL

President John Vary called the meeting to order at 8:30 a.m. August 12, 2013, in the Caribbean Beach Club, Ft. Myers Beach, Florida. A roll call confirmed the following persons were in attendance:

Board of Directors:

John Vary, President
Dave Zibolski, Vice President
Tom Andres, Treasurer
John Thomson, Secretary
Richard Garrett, Director
Ed O'Connor, Director
Tony Annunziato, Director

Vacation Resorts International (VRI):

Jan Samson, Senior V.P. of Resort Operations, VRI
Jeff Wharton, Director of Resorts, VRI

Caribbean Beach Club:

Laurie Meier, General Manager

TheMVPSERVICE:

Joe Takacs, President

PropCo Real Estate:

Rich Egolf, Broker/President

Owners:

No owners present.

II. NOTICE VERIFICATION/QUORUM

Management stated that meeting notice was posted in the Board approved location in accordance with the condominium documents and Florida Statutes.

A quorum was established with seven of seven Board members available in person.

MOTION: Dave Zibolski moved to amend the agenda to add: Section VIII D. South Building Discussion & Implementation of the Year 2019. The motion was seconded by Richard Garrett and approved unanimously.

III. APPROVAL OF MINUTES

MOTION: Richard Garrett moved to approve the June 24, 2013 meeting minutes. The motion was seconded by Dave Zibolski.

Amendments to the June 24, 2013 minutes are as follows:

Section II. Second paragraph: Dave Zibolski joined the meeting at 6:45 p.m.

Section IV. Item C, replace first paragraph with the following statement: Tom Andres reported that the 2012 audited financial statements are correctly presented in accordance with the Generally Accepted Accounting Principles (GAAP) and in accordance with the Florida Statutes. Accounts receivable appear to be high because they represent the 2013 maintenance assessments that were billed in December 2012 but not payable until January 15, 2013. All of the remaining 2012 accounts receivables were written off at December 31, 2012. Mr. Andres stated that he read and approved the draft financial statements prior to their issuance and that he signed CBC's representation letter that was transmitted to the auditors.

Section V. Item B last sentence. Change sentence: Dave Zibolski joined the meeting at this time.

Section V. Item D. Title: A/C, Air Handlers and Condensers Replacement, North Building.

Section V. E. Motion: Ed O'Connor moved to propose continuing the two-test process of well monitoring as recommended in item #1 as a 2-step process.

MOTION: Dave Zibolski moved to approve the minutes as amended. The motion was seconded by Richard Garrett and approved unanimously.

IV. FINANCIALS/COLLECTIONS

A. Financial Report

1. June Financials

Tom Andres reviewed financial statements of June 2013. Mr. Andres directed the Board

August 12, 2013

members to review Page 6 of the financials to review the accrual process outlined in this page of the report. Mr. Andres suggested that VRI's move to California was positive, and the answers he is receiving from Tom Bruette and his team are very good.

2. Reserve Study

Tom Andres presented a reserve study spreadsheet intended to mirror the reserve study and to develop a working document establishing a yearly list of components, estimated replacement costs and 2014 statutory funding requirements. The spreadsheet is detailed by component and categories. Mr. Andres pinpointed specific items and the reasoning behind the emphasis on funding to see how much is necessary to fund the line item based on the funding schedule.

MOTION: Ed O'Connor moved to set the statutory contribution for the 2014 budget at \$101,394.00. The motion was seconded by Richard Garrett and approved unanimously (exhibit attached – reserve spreadsheet.)

10:15 a.m. 10 minute break

B. Delinquency Report

1. Delinquency as of July 23, 2013

Management reviewed the latest delinquency status at 449 intervals, representing 20% of the ownership.

Active accounts	6	\$ 2,716
Payment plan	11	\$ 4,514
Meridian collections	18	\$ 10,082
Continental collections	13	\$ 15,433
Bankruptcy	7	\$ 25,039
Uncollectable	9	\$ 16,580
Deed back	5	\$ 11,252
Foreclosures	182	\$533,879
Association	198	\$104,440
New Owner	0	\$ 0
Total	449	\$723,935

A total of 23 accounts have become delinquent in 2013.

Management reported a new delinquent list as of this date is included in the budget discussion for the delinquent assumption report.

C. Foreclosure Status Report

Management provided and reviewed the GreenspoonMarder foreclosure spreadsheet. Each set of accounts is moving through various stages of the foreclosure process.

August 12, 2013

MOTION: Dave Zibolski moved to approve moving 13 accounts in 2nd collections to foreclosure. The motion was seconded by Richard Garrett.

Approved: John Thomson, Dave Zibolski, Tony Annunziato

Opposed: Richard Garrett, Ed O'Connor, Tom Andres, John Vary.

The motion failed.

D. Deed Back Status Report

Wilkinson Title reports that 5 accounts are in the process of deeding back to the Association.

E. ABC Policy Approval

The Board of Directors reviewed the Assessment Billing & Collection (ABC) Policy, establishing a billing and collection timetable of the maintenance fee billing.

MOTION: David Zibolski moved to approve the Assessment Billing & Collection Policy with a reconfirmed date of August 12, 2013. The motion was seconded by Richard Garrett and approved unanimously (exhibit attached).

F. Tax Appeal Status

Management provided a status of the Tax Appeal with Lee County. Jan Samson clarified that an appeal for the current year must be filed by September of the year, therefore it is too late to appeal 2012. The ongoing appeal is based on the 2013 tax values which began with the contract approval in March, 2013. Brian DePotter of Ryan, LLC stated that he is working with the county to obtain an early view of the values to begin the appeal.

V. **MANAGER'S REPORT**

Laurie Meier provided a Manager's Report with an additional report on units 113 & 213 conditions due to multiple rainstorms from the south that caused water damage to the units. Arnold-Sanders conducted a study of the conditions, and First Call Restoration is scheduled at first vacancy to locate the intrusion areas to stop the water intrusion.

Management provided a list of completed and future projects establishing a guideline for future planning (exhibit attached).

A. RCI Scores

Laurie Meier reported on her efforts to retain a Silver Crown award level for the property. Ed O'Connor addressed issues with his room that may contribute to lower scores. Dave Zibolski suggested using survey monkey, an online comment card system, to conduct an independent study of guest satisfaction.

VI. UNFINISHED BUSINESS

A. Committee Reports

1. Web Site

Laurie Meier reported that just under 100 requests for the password for the owner information have been received. Laurie requested direction from the Board as to the addition of monthly financials to the web site owner pages.

MOTION: David Zibolski moved to add the Balance Sheet, Operating Statement and the Reserve Statement to the web site. Thomas Andres seconded and the motion was approved.

2. Axis Lawsuit

Ed O'Connor stated that the Axis brief had been received and that we are appealing, responding to the Axis brief and cross appealing. We are also asking for an extension. The attorneys will most likely use the first 28 days and then ask for an extension. Axis has a right to reply to cross appeal. Each time a brief is filed there will be an update, and all briefs refer to when interest starts. There will be a link to the appellate court calendar on our web site.

B. Pipe Hanger Solution

Discussion of the rusting pipe hanger under the north building continued. Management provided multiple quotes for repainting or replacement. Dave Zibolski requested additional detail to include all hangers, including the higher floors, comparing galvanized and stainless steel, including permitting fees.

MOTION: Ed O'Connor moved to table the discussion until the next meeting. The motion was seconded by Richard Garrett and approved unanimously.

The next meeting is scheduled for October 1, 2013.

C. Pool Bathroom Proposal

Discussion continued to address the need for a ground level bathroom for pool guests to use. Management provided a proposal for design and engineering for the pool bath by Arnold-Sanders. The rough estimate is based on a 20'x20' pool bath with an additional storage area.

MOTION: Ed O'Connor moved to continue the discussion of the pool bath at the October meeting. The motion was seconded by Richard Garrett.

Approved: Ed O'Connor

Opposed: Dave Zibolski, John Thomson, Tom Andres, Richard Garrett, Tony Annunziato.

The motion failed.

Caribbean Beach Club

August 12, 2013

D. Dock Repair Proposal

Management provided multiple quotes to replace the handrail and walkway boards on the dock. The Board of Directors questioned how much work was necessary and recommended replacing the handrails only and suggested hiring contract labor to complete the job.

MOTION: Dave Zibolski moved to table the discussion until the next meeting and requested a re-proposal to install railings only. The motion was seconded by Richard Garrett.

Approved: Dave Zibolski, John Thomson, Ed O'Connor, Tony Annunziato, Richard Garrett.

Opposed: Tom Andres

The motion was approved.

E. Staff Use of Property

Ed O'Connor suggested adopting a policy to allow employees to use the units during slower periods of the year at the cost of a cleaning fee.

MOTION: Ed O'Connor moved to approve that at such time that occupancy is below 80% and there are Association weeks vacant, that VRI employees at CBC be allowed to rent and utilize units for payment of a cleaning fee. The motion was seconded by Tom Andres.

Ed withdrew his motion.

12:00 -- 1:00 lunch break

F. Well Monitoring Report

Management submitted the well monitoring report to the Board of Directors.

MOTION: Ed O'Connor moved that the Board of Directors receive and file the report dated 7/15/13 from American Environmental Engineering to the Department of Environmental Protection. The motion was seconded by Dave Zibolski and approved unanimously.

G. Water Shutoff Valves

Management reported the need to replace the water shutoff valves supplying water to the property and individual buildings. Following a proposal to replace the shutoff valves on the second floor, management recognized the need to develop a plan to map out a system to locate the shut-off valves. Utilizing a plumbing service, a plan will be established to map out the water service to the buildings and create a valve system to eliminate inconvenience to the guests during plumbing service repairs.

MOTION: Ed O'Connor moved to table the decision of installing shutoff valves to the second floor South building until we resolve the main shutoff of the buildings. The motion was seconded by Tony Annunziato and approved unanimously.

H. Wi-Fi Service Discussion

Board Members suggested that owners are experiencing limited or no Wi-Fi service throughout the property. Management reported the need to increase the bandwidth and replace the outdated modems to provide the best coverage.

MOTION: Ed O'Connor moved to authorize management to look into the Wi-Fi system and report to the Board of Directors at the next meeting. The motion was seconded by Richard Garrett.

Approved: Ed O'Connor, Richard Garrett, Dave Zibolski, John Thomson, Tony Annunziato, Tom Andres.

Opposed: John Vary, because if we can update via the General Manager, get it done.
The motion was approved.

I. Status of Approved Window Replacement

Management reviewed the chain of events surrounding the window damage in unit 212. The Board of Directors reviewed the owner correspondence and John Vary will provide a timely response.

J. Status of A/C Repairs

Management provided a status report of the air conditioning replacement in the North building. Once the deposit is received, the vendor and management will develop a schedule for the installation to minimize any guest inconvenience.

Tony Annunziato pointed out features the vendor must look for when making preparations for the install.

VII. SALES REPORT

A. General Sales Report

Joe Takacs from TheMVPSservice sales company provided a sales report. Through June 2013, 29 CBC weeks were sold, and 19 owner resale weeks were sold, which include 6 weeks sold off-site.

B. Sales Company Presentations

TheMVPSservice

Joe Takacs provided a complete sales update and presentation utilizing multiple marketing and mini-vacation programs. Mr. Takacs outlined measures to improve outside sales utilizing various companies and marketing plans.

Caribbean Beach Club

August 12, 2013

Mr. Takacs outlined a plan to register Caribbean Beach Club Timeshare Association as a subsequent developer under Chapter 721.065 and filing requirements to establish a Public Offering Statement with the DBPR of Florida. This way he felt he could guarantee 100 sales.

THE BOARD OF DIRECTORS TOOK NO ACTION ON THE PROPOSAL.

PropCo Real Estate

Rich Egolf presented an outline of a marketing and sales proposal to improve sales at the property. PropCo sales will staff the property with a marketing person and a licensed salesperson. Mr. Egolf suggested that at least 70% of the sales would be conducted on-site, and would be difficult to raise the longstanding price structure, although owner sales will continue with great efficiency. Mr. Egolf offered a release price of \$400 per interval and will send the participation and cap agreement to the Board of Directors within a week.

THE BOARD OF DIRECTORS TOOK NO ACTION ON THE PROPOSAL.

August 12, 2013, at 6:35 p.m., the meeting was postponed until the following day.

August 13, 2013, President John Vary called the meeting to order at 8:30 a.m. at the Caribbean Beach Club, Ft. Myers Beach, Florida.

VIII. NEW BUSINESS

A. Pool Lighting

Management provided a preliminary proposal to replace the existing pole lights with low volt ground lighting. The members discussed options with replacing versus making repairs to the current lighting system.

MOTION: Ed O'Connor moved to table a decision until we have bids to replace the poles and cap off electric, and replace tiles to have a complete job, with a pool layout to show the lighting design. The motion was seconded by Tony Annunziato and approved unanimously.

B. Voting Committee

John Vary appointed the following Board members as the 2013 voting committee: Ed O'Connor, Dave Zibolski and John Thomson.

The Board members discussed the method of notifying owners for the Call for Resumes.

MOTION: Richard Garrett moved to authorize the postcards for the Call for Resumes to notify owners. The motion was seconded by Ed O'Connor and approved unanimously.

Management was instructed to add Call for Resumes to all newsletters. Add Board of Director meeting dates and include that all updates will follow each meeting.

C. Ratification of Contracts

Management reported that two contracts were entered into since the last meeting:

1. Cape Horticulture & Landscaping, renewal of lawn maintenance contract
2. Windows Plus, 18 doors for the South building, \$17,795.68.

MOTION: Richard Garrett moved to approve the contract as presented. The motion was seconded by Dave Zibolski and approved unanimously.

D. South Building Discussion

Dave Zibolski suggested that the Board of Directors should plan ahead for the vote in 2019 when unit owners shall become tenants in common. There was discussion regarding voting in perpetuity, and the condition of the South building to consider various options.

John Vary ^{appointed} assigned Dave Zibolski and Tony Annunziato on this issue as an adhoc committee to provide an article in a forthcoming newsletter.

John Vary reported that the North building flood policy indicated an incorrect date of construction. Management will contact Ameriflood and provide a response when updated.

An insurance appraisal for the property was requested.

IX. 2014 BUDGET

A. 2014 Budget

The Board of Directors discussed the previous year's excess operating cash.

MOTION: Tom Andres moved to accept the Operating Budget of \$1,250,223.00 for the 2014 budget. The motion was seconded by Richard Garrett. The motion was withdrawn.

The 2014 Budget was presented for review and approval.

After many hours of extensive discussion of each line item, Board members reviewed and made adjustments to the operating and reserve line items of the budget

MOTION: Ed O'Connor moved to approve the 2014 preliminary budget with revisions. The motion was seconded by Richard Garrett. The motion was withdrawn.

Caribbean Beach Club

August 12, 2013

MOTION: Tom Andres moved to approve the preliminary budget to include the management salary increase approved by the Board President. The motion was seconded by Richard Garrett.

MOTION: John Vary moved to amend the motion to state that this budget includes \$6,338.00 dedicated to salary increase as approved by VRI for their employees and as ratified by the

General Manager and Board President. The motion was seconded by Tony Annunziato.

Approved: John Vary, Richard Garrett, Tom Andres, Dave Zibolski, Tony Annunziato, John Thomson. Opposed: Ed O'Connor, stating it is the obligation of the management company to control their employees and if they can't do it, then the management company itself should be responsible, and not this Board.

The motion was approved.

B. 2014 Reserve Funding

Previously discussed in financials section.

C. Tax Allocation

A report will be sent to the Board of Directors once the trim final tax notices are received to correct last year's overage.

X. MANAGEMENT COMPANY PRESENTATIONS

Management company presentations were scheduled at 11:00 a.m., 1:00 p.m. and 3:00 p.m. (exhibit attached). President John Vary asked the members of VRI to leave the meeting while the other companies made their presentations.

11:00 a.m. Defender Resorts

1:00 p.m. RAL Resort Property Management

3:00 p.m. Vacation Resorts International

XI. FUTURE MEETING DATES

Future meeting dates are as follows:

October 1, 2013 – 7:00 p.m. – Board meeting (telephonic)

October 28, 2013 – 8:30 a.m. – Budget and Annual meetings

XII ADJOURNMENT

There being no further business, the meeting was adjourned at 4:47 p.m., August 13, 2013.

BY: _____

John Thomson
John Thomson, Secretary

DATE: _____

Nov 21 / 2013



CARIBBEAN BEACH CLUB OWNERS ASSOCIATION, INC.
ANNUAL MAINTENANCE BILLING PLAN
(STATE OF FLORIDA)

EXHIBIT

The following is the Annual Maintenance Billing Plan policy for the Caribbean Beach Club Owners Association as adopted by the Board of Directors on February 20, 1998, and reconfirmed on August 12, 2013.

NOVEMBER 15th

You will be mailed the first annual maintenance notice for the next year's annual maintenance. **Payment is due upon receipt.** Failure to receive a statement does not relieve the owner of the responsibility of payment or constitute cause for cancellation of annual maintenance, penalties, and fees.

DECEMBER 15th

A reminder notice is sent to owners who have not paid to date.

JANUARY 15th (or 60 days after the first annual maintenance notice, whichever is later.)

Delinquency Date. If you have not paid your annual maintenance, your account is delinquent. You will be mailed the final annual maintenance billing notice, including all penalties, fees and interest. **THIS NOTICE SERVES AS THE LOCK OUT NOTICE AS STIPULATED IN FLORIDA STATUTE 721.13(6)(A) AND ALL DELINQUENT OWNERS WILL BE DENIED ACCESS OR USE.** Your reservations are canceled and you may not make or hold a reservation after this date.

THE EXCHANGE COMPANY WILL BE NOTIFIED OF CANCELLATION PURSUANT TO FLORIDA STATUTE 721.13(6)(C). Exchange requests of any type will not be confirmed. Confirmed reservations are subject to cancellation.

There is no guarantee that you will be able to receive a confirmed exchange after your account is brought current.

THIS WILL ALSO BE YOUR FIRST NOTICE OF OUR INTENT TO RENT YOUR WEEK PURSUANT TO FLORIDA STATUTE 721.13(6)(F)1. Use weeks resulting from delinquencies are available for Bonus Time, Vacation Time, and the Administrative Hold Program. Proceeds of such rentals will be applied to your account, net of any rental commissions, cleaning charges, travel agent commissions, or any other commercially reasonable charges usually incurred by the managing company.

If you are delinquent, the following charges are added to all delinquent owner accounts:

- a. A Reinstatement Fee of \$25.00
- b. Maximum interest allowed by law per month beginning January 15st
- c. An exchange, deposit, or confirmation cancellation fee of \$15.00 or 5% (whichever is less)

If you are delinquent, your reservations are canceled and you may not hold a reservation until your account is brought current. Exchange requests will not be confirmed. Existing confirmed exchanges will be blocked. There is no guarantee that you will receive a reservation or confirmed exchange after you have brought your account current. You must pay all charges in full to have your occupancy reinstated.

FEBRUARY 15th

Management will send a notice detailing all charges and fees that will be added if the delinquent account is not paid in full in 15 days and is submitted for legal and/or collection action.

The Board of Directors may, at its discretion, submit delinquent accounts to an attorney for formal notification of default and demand for payment (Legal Notice). The cost of Legal Notice will be added to delinquent owner's accounts.

MARCH 1ST

The Board of Directors may, at its discretion, implement any of the following actions. Any related costs for these actions will be added to the delinquent owner's account.

- a. Engage professional collection agencies to collect payment.
- b. Pre-Notification of Lien & Record a Claim of Assessment Lien.
- c. Foreclose on the Claim of Assessment Lien.
- d. Institute a Small Claims suit or other legal action.

NOTE: A \$25.00 charge will be added to your account for any payment that is not honored (bad check, insufficient funds, etc.). If the first payment is not honored for any reason subsequent payment including applicable late fees must be by secured funds (cash, money order, cashier's check).

EXHIBIT

MANAGEMENT COMPANY PRESENTATION GUIDELINES

We plan to meet with you on Tuesday, August 13, 2013 at 1:00 p.m. at Caribbean Beach Club for approximately 1 hour. If you would like a tour of the resort beforehand, please let me know.

We will structure that hour as follows:

5 minutes for us to introduce ourselves to you and to give you a brief explanation of our 3 major issues - resolution of our lawsuit, the south building and the future of the resort after 2019.

5 to 10 minutes for you to tell us about yourself to include providing us with a list of your clients and their contact information if you have not previously done this.

20 to 25 minutes for our structured questions.

10 to 20 minutes for individual board member questions.

10 minutes for you to address any questions you may have for us.

5 minutes for your summation.

Here are the structured questions. As you can see, within the timeframe allowed, your responses should be structured to about 1 minute per question/sub-question so as to allow you the opportunity to respond to all of them.

1. Management contract

Length of contract you desire, is it negotiable?

Termination provisions.

Services included, e.g. accounting, billing, mailings, banking, insurance needs, etc.

Monthly fee.

Staffing responsibilities.

Number and type of employees

Salary

Benefits

Hiring and training

Support

Role in obtaining insurance.

Role in keeping resort current with regulatory and statutory changes at local, state and federal Levels.

2. Your thoughts re: retaining current staff.

3. Financials

What are your in-house competencies?

What reserve method(s) do you use?

What process do you use to determine insurance needs?

What are your responsibilities in preparing and monitoring the CBC budget?

What are your responsibilities in planning for the next year, 3 years, 5 years and 10 years out

4. How are resort needs for unit maintenance and furnishings, pool, hot tube exterior lighting to be met ?

In-house vs. outside vendors - If outside, are there national accounts or utilization of bulk buying for multiple resorts?

What programs or procedures do you have in place to minimize cost and maximize quality?

5. Do you have retained counsel or is that the responsibility of the resort?
6. What types of communication are made with the Board and with owners (note we have a web site)?
7. What is your involvement with sales and rentals?
Please provide a history of one of your Florida resorts.
8. What is your relationship with RCI, with VRI? Is their rating important? Why?
9. Re: payment of maintenance fees, how do you encourage timely payment? Use of credit cards? How are delinquent owners handled?

If you have any other questions, please let me know, and thanks again for your interest.

John Vary for Tony Annunziato, Co-chair of Management Search Committee

EXHIBIT

CARIBBEAN BEACH CLUB GAB Robbins Component Reserves for the year 2014 to come th the 2014 statutory assessment												
Page No.	Units	Current		Estimated		Unit Cost	Remain Life	1/1/13 Reserve Balance	Add 2013 Contribution	Fund Balance For 2013	Unfunded Balance	2014 Statutory Funding
		Cost	Cost	Life	Life							
HVAC and PTAC												
p.16	10	112,000		6	0			32,000	80,000	112,000	-	-
p.16	1	4,000		6	0			-	4,000	4,000	-	-
PTAC east & South Build	28	6,020	215	1	1	215	1	4,020	-	4,020	2,000	2,000
PTAC office	1	215	215	1	1		1	215	-	215	-	-
Total HVAC & PTAC		122,020						36,235	84,000	120,235	2,000	2,000
Unit Renovation												
p.17	28	20,328	726	10	2	726	2	6,680	570	7,250	13,078	6,539
p.17	16	11,616	726	10	4	726	4	5,450	1,238	6,688	4,928	1,232
Total microwaves	44	31,944						12,130	1,808	13,938	18,006	7,771
p.17	28	14,700	525	10	4	525	4	4,880	470	5,350	9,350	2,338
p.17	16	8,400	525	10	4	525	4	4,350	500	4,850	3,550	888
Total microwaves	44	23,100						9,230	970	10,200	12,900	3,225
p.17	28	9,576	342	10	4	342	4	3,230	530	3,760	5,816	1,454
p.17	16	5,472	342	10	8	342	8	2,250	370	2,620	2,852	357
Total Range tops	44	15,048						5,480	900	6,380	8,668	1,811
p.16	28	10,080	360	12	3	360	3	4,720	945	5,665	4,415	1,472
p.16	16	5,760	360	12	3	360	3	4,110	470	4,580	1,180	393
Total table & chairs	44	15,840						8,830	1,415	10,245	5,595	1,865
p.16	1	486	486	10	8	486	8	75	30	105	381	48
p.17	28	12,096	432	5	1	432	1	7,840	1,280	9,120	9,888	9,888
p.17	16	6,912	432	5	1	432	1	7,840	1,280	9,120	9,888	9,888
Total		19,008										
p.17	45	51,700	1,175	6	5	1,175	5	7,000	2,200	9,200	42,500	8,500
Living room Chairs	44	17,160	390	6	4	390	4	6,580	1,860	8,440	8,720	2,180

CARIBBEAN BEACH CLUB GAB Robbins Reserves for the year 2013 (Continued)

Unit Renovation (Continued)	Page	Estimated		Unit Cost	Life	Remaining Life	1/1/2013 Reserve Balance	Add 2013 Contribution	Fund Balance For 2013	Unfunded Balance	Statutory Funding
		No of Units	Replace Cost								
Televisions - 32 inch, HD	p. 17	29	7,975	275	10	8	6,347	430	6,777	1,198	150
Televisions - 32 inch, HD	p. 17	17	4,675	275	10	4	3,173	215	3,388	1,287	322
Total TV's		46	12,650				9,520	645	10,165	2,485	472
Replace Doors exterior S	p.16	20	18,000	900	20	1	6,450	11,550	18,000	-	-
Replace Doors exterior N	p.16	16	13,600	850	20	14	1,280	1,200	2,480	11,120	794
Replace Doors exterior C	p.16	8	6,800	850	25	24	120	350	470	6,330	264
Total exterior door replac.		44	38,400				7,850	13,100	20,950	17,450	1,058
interior doors replace. S & C	p.16	28	9,100	325	15	3	2,500	850	3,350	5,750	1,917
interior doors replace. N	p.16	16	5,200	325	15	10	-	-	-	5,200	520
Total interior door replac.		44	14,300				2,500	850	3,350	10,950	2,437
Interior wall & door painting	p. 16	28	21,000	750	10	4	16,800	2,200	19,000	2,000	500
Interior wall & door painting	p. 16	16	12,000	750	10	4	-	-	-	12,000	3,000
Total interior painting		44	33,000				16,800	2,200	19,000	14,000	3,500
Dressers/TV stand Replace.	p. 16	45	11,700	260	12	3	8,830	270	9,100	2,600	867
Living room lounge chairs	p. 17	45	17,160	390	6	4	8,580	1,860	10,440	6,720	1,680
Living room end tables	p 16	88	8,712	99	12	3	6,700	12	6,712	2,000	667
Lamps	p. 17	198	10,098	51	12	3	8,075	-	8,075	2,023	674
Artwork, Mirros, etc	p. 16	45	17,700	393	12	1	10,700	-	10,700	7,000	-
Mattress, bedding North	p. 17	16	7,072	442	7	6	6,400	200	6,600	472	79
Mattress, bedding S & C	p. 17	29	12,818	442	7	6	4,000	3,700	7,700	5,118	853
		45	19,890				10,400	3,900	14,300	5,590	932

CARIBBEAN BEACH CLUB GAB Robbins Reserves for the year 2013 (Continued)

Unit Renovation (Continued)	Page	No of		Estimated		Unit Cost	Remaining Life	1/1/2013 Reserve Balance	Add 2013 Contribution	Fund Balance For 2013	Unfunded Balance	Statutory Funding
		Units	Replace.	Cost	Life							
Headboards	p. 17	29	9,425	325	12	4	3,757	293	4,050	5,375	1,344	
Headboards	p. 17	16	5,200	325	12	9	2,718	147	2,865	2,335	259	
		45	14,625				6,475	440	6,915	7,710	1,603	
Night stands	p. 17	56	4,900	175	12	3	3,900	-	3,900	1,000	333	
Night stands	p. 17	32	2,800	175	12	6	1,800	-	1,800	1,000	167	
		88	7,700				5,700	-	5,700	2,000	500	
Dressers bedroom	p. 16	29	12,180	425	12	3	6,230	420	6,650	5,530	1,843.33	
Dressers bedroom	p. 16	16	6,960	425	12	6	3,560	210	3,770	3,190	531.67	
		45	19,140				9,790	630	10,420	8,720	2,375	
Door lock Repl & reparaie C & S	p. 16	28	3,920	140	12	5	-	-	-	-	-	
Door lock Replace & reparaie N (Put all to exterior doors)	p. 16	16	2,240	140	12	6	-	-	-	-	-	
		44	6,160				-	-	-	-	-	
Replace drapes/ window treat	p. 17	44	25,300	575	10	8	10,660	210	10,870	14,430	1,804	
Unit Screen repair/replace.	p. 16	19	28,000	1,474	20	13	2,850	1,200	4,050	23,950	1,842	
Linen & Towel replacement	p. 17		15,400		3	1						
Kitchen Cabinets & counters	p. 16	28	81,200	2,900	24	15	6,710	2,300	9,010	72,190	4,813	
Kitchen Cabinets & counters	p. 16	16	46,400	2,900	24	18	-	1,500	1,500	44,900	2,494	
		44	127,600				6,710	3,800	10,510	117,090	7,307	
Tile Floors	p. 16	28	109,200	3,900	24	15	9,129	2,000	11,129	98,071	6,538	
Tile Floors	p. 16	16	62,400	3,900	24	18	4,000	580	4,580	58,400	3,244	
		44	171,600				13,129	2,580	15,709	156,471	9,783	

CARIBBEAN BEACH CLUB GAB Robbins Reserves for the year 2013 (Continued)

<u>UNIT ITEMS (Continued)</u>	<u>Page</u>	<u>Estimated</u>		<u>Remaining</u>	<u>Current</u>	<u>Add</u>	<u>Fund</u>	<u>Unfunded</u>	<u>2014</u>		
		<u>No of</u>	<u>Replace.</u>							<u>Unit</u>	<u>Reserve</u>
	<u>Units</u>	<u>Cost</u>	<u>Cost</u>	<u>Life</u>	<u>Balance</u>	<u>Contribution</u>	<u>For 2013</u>	<u>Balance</u>	<u>Funding</u>		
Restroom renovations	p.16	28	106,400	3,800	24	23	6,200	1,270	7,470	98,930	4,301
Restroom renovations	p.16	16	60,800	3,800	24	18	-	500	500	60,300	3,350
		44	167,200				6,200	1,770	7,970	159,230	7,651

NON UNIT ITEMS	Page	No of Units	Estimated		Unit Cost	Remaining Life	Current Reserve Balance	Add 2013 Contribution	Fund Balance For 2013	Unfunded Balance	2014 Statutory Funding
			Replace. Cost	Unit Cost							
Painting & waterproofing	N/A		52,000		52000	7	50,514		50,514	1,486	1,486
Pavement											
Asphalt 1" overlay	N/A		18,711			20	18,711	0	18,711	-	-
Asphalt sealcoat/rejuvenation			3,402			4	2,110	750	2,860	542	271
Walkway coating			5,000			3	3,350	1350	4,700	300	300
Waterproof pool deck			13,000			30	13,000	0	13,000	-	-
			40,113				37,171	2,100	39,271	842	571
Pool and Spa											
Pool deck Furniture replace.	N/A		16,200			10	1,900	3500	5,400	10,800	1,200
Pool heaters replacement			13,500			15	2,400	3000	5,400	8,100	675
Pool interior resurfacing			16,830			10	2,880	4500	7,380	9,450	1,350
Pool lighting			6,500			5	1,900	2100	4,000	2,500	1,250
Spa heater replacement			5,680			15	2,180	3500	5,680	-	-
Spa interior Replacing			2,800			8	200	818	1,018	1,782	356
			61,510				11,460	17,418	28,878	32,632	4,831
Roofs											
Roof replacement - East			22,295			25	8,140	1,450	9,590	12,705	635
Roof replacement - North			47,450			25	24,000	1,663	25,663	23,450	1,234
Roof replacement - South			47,710			25	19,764	1,521	21,285	27,946	1,397
			117,455				51,904	4,634	56,538	64,101	3,267
Elevator											
			38,000			30	9,611	150	9,761	28,239	1,177
Ice machine - South											
			4,500			8	650	180	830	3,670	524
Ice machine - North											
	N/A		4,500			8	2,250	120	2,370	2,130	1,065
			9,000				2,900	300	3,200	5,800	1,589

EXHIBIT

PIPE HANGER SOLUTION

The condition of the pipe hangers is approaching a level relative to the condition they were in prior to the work performed last year.

We removed two of the rusted hangers for Jim Hardin of Scott Paint as per his request. Mr. Hardin's recommendation to us remains the same as last year saying the best solution is to replace the pipe hangers rather than repeat the process of grinding them, coating and painting.

This has proved a difficult project to receive proposals as companies contacted has stated the size of the job would prohibit their bidding and two companies cancelled.

One proposal is furnished in the package with two additional proposals expected to arrive prior to the meeting date. Those proposals will be included in the meeting information placed in the notebooks.



MP License #CFC 055677
P.O. Box 101592
Cape Coral, FL 33904

PROPOSAL
ROTO-ROOTER PLUMBERS
1-800-GET-ROTO
 (239) 936-1767 Ft. Myers
 (239) 542-9300 Cape Coral
 (239) 263-1173 Naples
 (941) 764-8988 Port Charlotte
 (239) 573-8028 Fax

Proposal Submitted To:	Work To Be Performed At:
Name: Caribbean Beach Club	Name: same
Address: 7600 Estero Blvd	Address:
City, State, Zip: Fort Myers Beach, FL 33931	City, State, Zip:
Fax: (239) 463-9579	Phone:

Roto-Rooter proposes to furnish all the materials and perform all the labor necessary for the completion of:
 Removal of all pipe hangers and all thread from water and drain lines, replace with all new thread and hangers
 Cost for galvanized parts and labor \$6500.00.

Stainless steel will out last galvanized and perform better, but the galvanized should last the same amount of time as original threads and hangers.
 Cost to replace all with stainless steel parts and labor \$13000.00.

Roto-Rooter will perform the work described above and supply all required materials for the sum of (see above).

Payments shall be made as follows:

50% due upon acceptance

50% due upon completion

If payment is not made on time, interest will accrue on the unpaid balance at the highest rate permissible by law.

2. All material is guaranteed to be as specified above. All work will be completed according to standard practice and in a good, workmanlike manner.
3. Unless specifically stated otherwise above, repair of streets, sidewalks and the like shall not be the responsibility of Roto-Rooter. In the event excavation is required, the excavated area will be graded to ground level and mounded to allow for settlement. All landscaping required following completion of the job will be the customer's responsibility.
4. In the event circumstances arise in the course of performance which necessitate a deviation from the work described above or if customer requests that additional or different work be performed, and the additional charge shall be agreed upon before the additional work is undertaken and a new written work description shall be executed.
5. Customer shall maintain fire, tornado, earthquake, and other necessary insurance on the property on which the work is being performed. Roto-Rooter shall maintain worker's compensation and public liability insurance.
6. Customer to provide all necessary easements and rights of way.
7. This proposal constitutes our entire agreement and may be withdrawn by us if not accepted within 90 days. No modifications of this agreement shall be valid unless in writing and signed by both parties.
8. Warranty is non-transferable.
9. Other:

Respectfully submitted: Tony Yauger General Manager	Date: 7/31/2013
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ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature:	Date:
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TO: Caribbenn Club
 7600 Estero Blvd
 FT Myers Beach, FL 33931
 FAX: 239-463-9579
 ATTN: Dan

Re: Fire Sprinkler Quote

We appreciate the opportunity to provide you with a fixed price to repair a Fire Sprinkler System in accordance with the minimum requirements of NFPA 13, NFPA 13R, NFPA 13D, NFPA 14, NFPA 20, NFPA 22, NFPA 24, and NFPA 25 and local code. Price includes labor and material to supply an approved sprinkler system. Taxes and permit fees excluded. Proposal is based on performing work during normal business hours, Monday through Friday 8-5. Cintas has not included materials and labor for 120 volt power unless specified. Terms of payment are to be paid in accordance with standard terms.

Scope of Work:

Change Out All Rusted Out Hangers & Rods

Lift Is Required

Service Item	Price Each	Qty	TOTAL
Option 1 - Above Scope In Galvanized	\$ 9,075.00	1	\$ 9,075.00
Option 2 - Above Scope In Stainless Steel	\$ 19,750.00	1	\$ 19,750.00
Lift (Required For Both Options)	\$ 850.00	1	\$ 850.00
	\$ -	0	\$ -
	\$ -	0	\$ -

9925
20,600

THIS PRICE IS FOR COMPLYING WITH THE MINIMUM N.F.P.A. STANDARDS

Total Price See Above Options

This quotation is subject to the Terms And Condition of Sale - Fire Equipment Goods and Services. This quotation is valid for 30 days, after which prices are subject to change without notice. All services are subject to a Minimum Billing Charge and a Service Charge for on-site service. Cintas will endeavor to give Customer reasonable notification of service due to be performed. However, Customer accepts the ultimate responsibility to be aware of the services required and to schedule that work in a timely manner. Term of agreement to be for a period of one (1) year from the date of acceptance by Customer and shall be renewed each year thereafter without further action by the parties. Agreement may be cancelled by either of the parties upon thirty (30) days written notice.

Exclusions *:

Cut, patch or paint of ceilings or walls
 Any equipment or labor not listed in proposal.
 Does NOT include after hours or overtime labor by Cintas or subcontractors.
 Does NOT include Fire watch where required or necessary.
 DOES NOT include any additional requirements from the AIA

Does NOT include investigating ground fault conditions.
 Does NOT include installation of underground, concrete incased conduit, boxes.
 Any act of god that damages part
 Owner negligence that damages part

*additional charges may be incurred outside the exclusions stated above based upon unforeseen repairs discovered on-site.

Quoted for Cintas Fire Protection by:

Signature
 Name Anthony Lantrip
 Title Service Manager
 Date 8/8/2013

Cintas Location: F24
 Cintas Address: 12771 Westlinks Dr
 Fort Myers, FL 33913
 Cintas Phone: 239-693-8722

FOR OFFICE USE ONLY

Acceptance for Customer by:

Signature _____
 Name _____
 Title _____
 Date _____
 PO # _____

Please sign and fax to: 239-693-8792
 or Email to: LantripA@cintas.com

JOB # _____ LINE# _____ OTHER _____



JACKSON TOTAL SERVICE, INC.

• AIR CONDITIONING • ELECTRIC • PLUMBING •

August 9, 2013

Caribbean Club
7600 Estero Blvd.
Fort Myers Beach, FL 33931

Phone (239) 463-6111

Attention: Laurie Meier

Re: Replacement of (390) rusted tear drop clevis hangers and threaded rods at the Caribbean Club Condominium at 7600 Estero Blvd., Fort Myers Beach, FL

We appreciate this opportunity to analyze the plumbing requirements for the above referenced project. This is a significant project and will be extremely time consuming. We estimate it will take approximately three weeks to complete. It is important that it be completed during the non-tourist season time frame.

It is critical that an experienced plumbing contractor perform this work. Jackson Total Service, Inc. is a State of Florida Certified Plumbing Contractor (license # CFC019073) servicing this area of southwest Florida since 1971.

We submit this proposal for your consideration.

To accept our proposal, please sign our proposal and return to us along with the following:

1. Copy of a signed and notarized Notice of Commencement (Jackson Total Service, Inc. will provide this required document).

Continued on Next Page

Page 1 of 3 pages

3727 ENTERPRISE AVE. • NAPLES, FL 34104
PHONE (239) 643-0923 • FAX (239) 643-9872
P.O. BOX 9589 • NAPLES, FL 34101
EC13002992 • CAC014249 • CFC019073

PLUMBING SPECIFICATIONS:

Remove (38) existing 4" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (93) existing 3" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (91) existing 2" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (20) existing 1 1/2" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (37) existing 1 1/4" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (64) existing 1" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (29) existing 3/4" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Remove (18) existing 1/2" inch clevis hangers and install new galvanized steel clevis hangers with 3/8" inch zinc coated threaded rods to replace the existing rusted hangers.

Furnish motorized scissor lift as necessary to complete the project.

Provide and install safety barricades as required. All employees working on scissor lift will be wearing a safety harness as required.

Plumbing permit and inspection fees.

Filing and recording of notice of commencement.

One year service warranty from date of completion of work.

THIS PROPOSAL DOES NOT INCLUDE:

Any Fire Department permits or inspection fees (if required).

Any repairs to concrete or stucco ceilings (if required).

Any painting of concrete or stucco ceilings (if required).

Any painting, scraping or cleaning of existing plumbing piping (if required).

Allowance for unusual working conditions or unusual working hours.

Any changes, additions or revisions to the scope of work after the date above. No additional work to be performed without authorized change orders.

Total cost of plumbing	\$ 39,436.00
Less 10% commercial discount	<u>- 3,944.00</u>
Net Cost	\$ 35,492.00

Note: 1) We are not licensed to perform painting, concrete or stucco patching. If any of this work is required, we can refer you to people who are so licensed.

Note: 2) In the event additional clevis hangers are required, they will be furnished and install at an additional cost of \$100.00 each.

Includes: Sales Tax on Materials.

Excludes: Repair of painted or finished surfaces, repairs to driveway areas or landscaping.

Warranties: One year labor warranty by Jackson Total Service, Inc. Material warranties by the manufacturers.

Payment Terms: 30% on signing of proposal, 30% on starting of work. Balance due upon completion of work.

Accepted by:

(Sign)

Date of Acceptance

(See reverse side for conditions)

Jackson Total Service, Inc.

(Authorized Signature)

This proposal may be withdrawn by us if not accepted within sixty days.

Page 3 of 3 pages

CONDITIONS

1. All work is to be completed in a workmanlike manner according to standard practices in the trade. All manufacturer's warranties will be passed on to the customer to the extent possible. Contractor warrants its labor for one year from completion of the project.
2. Any alteration, deviation, change order or request for extra work from the specifications set forth on the front hereof involving extra costs will be performed only upon execution of a written change order and shall become an extra charge over and above the amount set forth on the front side hereof.
3. Performance of the contract by contractor subject to strikes, accidents, acts of God, weather and delays beyond the contractor's control.
4. Customer/owner to carry fire, tornado and other necessary insurance. Contractor to provide Workman's Compensation insurance on its workers.
5. Contractor shall retain title to all materials, products, and component parts thereof constructed upon or placed within the project set forth on the front side hereof until such time as customer/owner has paid contractor in full. Should customer/owner not make final payment when due, customer/owner grants contractor permission to go upon and into the premises upon which the improvement was made so as to remove all materials, products, and component parts thereof installed or performed by contractor, notwithstanding the fact that said work may have been incorporated into a project or improvement.
6. Payment shall be due upon completion of work. Thereafter, customer/owner agrees to pay contractor interest at the highest rate allowable by law on any unpaid balance.
7. Should contractor hire an attorney to collect moneys due under this contract or enforce any other obligations or conditions incumbent upon customer/owner arising out of this contract on the project there-under, then in addition to any award made by a Court of competent jurisdiction for damages, contractor shall also be entitled to recover from customer/owner a reasonable attorney's fee and all Court costs incurred.
8. Except as may be otherwise mandated by the provisions of Chapter 713, Florida Statutes, the parties hereto agree that venue of any action arising out of or pertaining to this agreement shall be Collier County, Florida.

X _____
Initial

EXHIBIT

CARIBBEAN BEACH CLUB MANAGER'S REPORT

August 2013

Operational

Monthly employee meetings held.
Weekly meetings with individual staff.
Monthly meeting with vendors/housekeeping.
Weekly owner updates held.
Weekly Board reports submitted.
Monthly financial and variance reports submitted.
Contact with "payment plan" owners.
Started using booking.com to increase rental revenues.
Posted additional photos, sales listings and updates to web site.
Created and posted spring newsletter to web site and mailed copies to owners on list.
Attended guests' first sessions.
Attended CAI CEU sessions.
Reserve budget work.
Filled part time maintenance position.

Property

Elevator inspection/repairs.
Balcony inspections.
Ice machine repairs.
A/C repairs.
Installed 16 new mattresses.
Ordered 1st quarter unit supplies.
New well drilled and samples taken.
Concrete slabs poured.
Changed lighting for turtle season.
Purchased kayaks.

Scheduled

A/C replacement – North Building
Exterior door replacement – South Building

