

**CLUB SEVILLA II CONDOMINIUM ASSOCIATION, INC.  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
HELD AS A CONFERENCE CALL  
MAY 26, 2010 8:00 P.M., E.S.T.**

**I. CALL TO ORDER:**

**Present for the Board of Directors:**

Barry Faughnan - President  
Kennith Reese - Vice President  
Richard Mourlam - Vice President  
Kim McCarty - Vice President  
Donna Latham - Vice President/Secretary/Treasurer

**Present for Osceola Resort Management Company:**

Robert A. Slaman - President  
Michael Osborn - Vice President

**Absent for Osceola Resort Management Company:**

Maria Dalomba - General Manager

The meeting was called to order at approximately 8:12 P.M., E.S.T. by Mr. Faughnan.

**Minutes:**

Ms. Latham made a motion to approve the minutes to the January 27, 2010 Board of Directors' Meeting. Ms. McCarty seconded the motion. The motion was approved unanimously.

**II. RESORT STATUS:**

Mr. Slaman reported the following:

Current occupancy is approximately 51%.

We will start making repairs to the building stairs starting with building nine next week.

The RCI Ratings have been excellent the last two months with May's ratings being the highest in Club Sevilla's history.

Owners Coffee Chats are going excellent.

### **III. OLD BUSINESS:**

#### **Association owned unit-weeks:**

The Association owns forty-three (43) units. Management will submit to Lando all Club Sevilla and Club Sevilla II unit-weeks for sale. Lando previously said they would only be buying the 100 unit-weeks required under their contract.

Management has reviewed the contract and determined that the units submitted to Lando for sale and not purchased will be allowed to be sold by the Association as they wish. With this in mind, Management through their brokerage company will submit several marketing options for the Board to consider in case Lando does not purchase all of the unit-weeks.

#### **Electronic Communications:**

The Board, through a polling procedure, authorizes management to hire NSB Webeffects to design and maintain the new Club Sevilla website. Mr. Reese made a motion to ratify the action of the Board to hire NSB Webeffects to design and maintain Club Sevilla's new website. Ms. Latham seconded the motion. The motion was approved unanimously.

#### **New faucets for interior jacuzzi units:**

Management is replacing the faucets on an as needed basis.

#### **Sofas:**

Management is waiting for the sample to be shipped.

### **IV. NEW BUSINESS:**

#### **Allocation of the 2009 Reserve Interest Income:**

Mr. Reese made a motion to approve the allocation of the 2009 reserve interest income with \$5,756.88 to the HVAC reserve account. Ms. McCarty seconded the motion. The motion was approved unanimously.

#### **IRS Revenue Ruling 70-604:**

The Association's Auditor recommended that the Board adopt a resolution where excess income be applied to the following year's assessments under revenue ruling 70-604. This resolution will be made part of the minutes of the meeting held on November 6<sup>th</sup>, 2009. Mr. Mourlam made a motion to adopt the resolution as submitted by the Association's Auditor. Ms. McCarty seconded the motion. The motion was approved unanimously.

### **Vacant Land behind Club Sevilla II:**

Mr. Slaman informed the Board that an offer has been received for the land behind Club Sevilla II. The offer is \$100,000.00. Club Sevilla has a 30 day first right of refusal to purchase the land at the offer price. The Board discussed the issue at length. Mr. Slaman said he would supply proof of the offer, a statement the land owner intends to sell the land and a boundary survey showing the storm water drainage pond/facility. This will be added to the open items report.

### **Annual Meeting Date:**

The Board set the Annual Meeting to take place on November 5, 2010.

### **V. FINANCIAL REVIEW:**

Mr. Osborn reviewed the Association's March, 2010 financial statement with the Board Members.

### **VI. COMMENT CARDS:**

The Board review the comment cards and commented on how good they are.

### **Next Meeting:**

The next meeting will be held in late July, 2010 or early August, 2010.

### **Adjournment:**

Mr. Reese made a motion that the meeting be adjourned. Ms. Latham seconded the motion. The motion was approved unanimously. The meeting was adjourned at approximately 9:05 P.M., E.S.T.

### **ACTIONS TAKEN BY THE BOARD OF DIRECTORS:**

#### **Minutes:**

The Board approved the minutes to the January 27, 2010 Board of Directors' Meeting.

#### **Allocation of the 2009 Reserve Interest Income:**

The Board approved the allocation of the 2009 reserve interest income.

### **IRS Revenue Ruling 70-604:**

The Board approved a resolution to apply any excess membership income over membership expenses for the year ending December 31, 2009 be applied against subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

**Hiring of NSB Webeffects:**

The Board approved and ratified the action of the Board to hire NSB Webeffects to design and maintain Club Sevilla's new website.

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Donna Latham, Vice President/Secretary/Treasurer

Date





