

**Monarch at Sea Pines Owners' Association, Inc.**

**Board of Directors Meeting**

**October 25, 2022**

A regular meeting of Monarch at Sea Pines Owners' Association, Inc., Board of Directors was held on October 25, 2022, at the offices of Marriott Vacations Worldwide, Board Room, 1044 William Hilton Parkway, Hilton Head Island, South Carolina 29928.

**Present from the Board of Directors were:** Dale Henn, President; Ron Marks, Vice President; William Klein, Treasurer; Nancy Barbee, Director; Scott Sutker, Director and David Eisenreich, Director

**Absent from the Board of Directors was:** Edward Brennan, Secretary

**Present from Marriott Vacation Club® International, representing the Management Company, were:** Rob Welch, Regional Vice President, Vacation Ownership; Wayne Hulme, Regional Director of Finance-East Region; Birgit Koellner-Gozlan, General Manager; Mark Heldt, Market Director of Finance; Ramon Gutierrez, Director of Rooms; Jared Crews, Director of Engineering; Romaine Guerrini, Financial Analyst; Quincey Busby, Assistant Chief Engineer; Nick Lesnak, Activities Manager; John Ulmer, Safety and Security Manager and Scott Wilson, Guest Relations Manager

**CALL TO ORDER**

Dale Henn, President, called the meeting to order at 8:55 a.m., Eastern time.

**ESTABLISHMENT OF QUORUM**

Mr. Henn announced with the majority of Board Members present, quorum was met.

**APPOINTMENT OF RECORDING SECRETARY**

Mr. Henn appointed Scott Wilson to serve as Recording Secretary.

**PROOF OF NOTICE OF BOARD OF DIRECTORS MEETING**

Notice of Board Meeting was mailed to all Owners on September 26, 2022.

**APPROVAL OF AGENDA**

**A motion was made by William Klein to approve the Agenda as presented. The motion was seconded by Scott Sutker and unanimously carried.**

**APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES**

**A motion was made by Scott Sutker to waive the reading of the August 2, 2022 Board of Directors Special Meeting Minutes and approve as presented. The motion was seconded by Nancy Barbee and unanimously carried.**

**ACTION ITEM REVIEW**

Birgit Koellner-Gozlan reviewed action items. Highlights included:

- Action items #1 and #6 were moved under Administrative.
- New action items were added to the current list.

**RESORT OPERATIONS REPORT**

Ms. Koellner-Gozlan presented an update on resort operations. Highlights included:

- Guest Satisfaction Survey scores
- Department updates
- Upcoming projects

**FINANCIAL REPORT**

Mark Heldt presented a financial report. Highlights included:

- Accounts receivable
- Balance Sheet

- Operating Fund year end forecast
- Increase in costs for supplies and materials
- Operating expenses and surplus
- Investment update
- Reserve Fund

#### 2022 Financials

##### Reserve Fund

**A motion was made by Ronald Marks to approve an additional \$109,829 from the Reserve Fund to bring the total approved funds to \$361,051 to cover the 2022 reserve projects that were over budget as presented and attached to the minutes of record as Exhibit A. The motion was seconded by Nancy Barbee and unanimously carried.**

##### Annual Reserve Expenditures

**A motion was made by Ronald Marks to approve 2023 annual reserve expenditures in the amount of \$1,938,829 as presented and attached to the minutes of record as Exhibit B. The motion was seconded by Nancy Barbee and unanimously carried.**

##### Reserves Enhancement Fund

**A motion was made by William Klein to approve up to \$50,000 from the 2023 Resort Enhancement Fund for the purchase of two electric GEM cars. The motion was seconded by Ronald Marks and unanimously carried.**

##### Operating Surplus

**A motion was made by William Klein to move \$200,000 from the Operating Surplus to the Insurance Contingency Fund. The motion was seconded by Scott Sutker and unanimously carried.**

##### 2023 Operating Budget

**A motion was made by William Klein to approve the 2023 Operating and Reserve Assessment Budget for Monarch at Sea Pines Owners' Association, Inc., as presented by Mark Heldt, in the total amount of \$11,536,403 including each line item of such budget as presented and attached to the minutes of record as Exhibit C, which budget includes total Operating Fees of \$7,369,772, Reserve Fees of \$3,339,006 and Property Tax Fees of \$827,625. Mr. Klein further moved to approve the billing by Monarch at Sea Pines Owners' Association, Inc. of each Owner for the following amounts owed to Monarch at Sea Pines Owners' Association, Inc.: \$1,875.83 for each Owner of a 2-Bedroom unit and \$3,751.70 for each Owner of a Crowne Suite unit. The motion was seconded by Scott Sutker and unanimously carried.**

#### **OLD BUSINESS**

##### Property Tax

**A motion was made by William Klein to rescind the motion made by William Klein and seconded by Katherine Philipp at the November 2, 2021 Board of Directors Meeting to sign a letter of engagement with the Ryan Company to review Monarch at Sea Pines Owners' Association, Inc., property taxes and pursue any possible overpayment to Beaufort County, South Carolina. The motion was seconded by Scott Sutker and unanimously carried.**

**A motion was made by William Klein to sign the Professional Services Agreement with DuCharme McMillen & Associates, Inc. ("DMA") to review Monarch at Sea Pines Owners' Association, Inc., property taxes and pursue any possible overpayments made to Beaufort County, South Carolina. The motion was seconded by Scott Sutker and unanimously carried.**

##### Sales Presentations

Rob Welch reviewed the sales presentation process.

#### **NEW BUSINESS**

Committee Reports

Mr. Henn reviewed committee reports. Highlights included:

- Governance Committee
- Reserves Committee
- Finance Committee
- Communications Committee

2042 Declaration

A motion was made by Scott Sutker to authorize the Governance Committee to continue working with the Management Company to develop a “2042 Plan” to extend Monarch at Sea Pines Owners’ Association, Inc. timeshare plan beyond the current 2042 termination date and to further authorize the committee to spend up to \$10,000, if needed, and legal expenses of approximately \$25,000. The motion was seconded by William Klein and unanimously carried.

Predictive Maintenance

Jared Crews reviewed predictive maintenance. Highlights include:

- Johnson Controls for building’s fire prevention dry system monitoring

Establishment of 2023 Meeting Dates

- May 2, 2023 – Board of Directors Meeting
- October 24, 2023 – Board of Directors Meeting
- October 24, 2023 – Annual Meeting

**ADJOURNMENT**


A motion was made by Ronald Marks to adjourn the meeting at 12:55 p.m. The motion was seconded by Nancy Barbee and unanimously carried.

Submitted by:

Approved by:

 5/8/23  
 Date

Scott Wilson  
Recording Secretary

 5/8/23  
 Date

~~Dale Henn~~ Ron MARKS  
President

