

**RIVERVIEW RESORT CONDOMINIUM TRUST
BOARD OF TRUSTEES MEETING MINUTES
Friday, July 24, 2009**

I. CALL TO ORDER/ROLL CALL

The meeting of the Board of Trustees was called to order by Dan Gallagher at 10:15 a.m.
The following persons were in attendance:

Board of Trustees:

Stuart Allen
Dan Gallagher
Roy Fraser

Absent: Daniel Mardirosian

Vacation Resorts International and Resort Staff:

Loren Gallagher, President/VRI
Rich Muller, Sr. Vice President of Resort Operations/VRI
Jonathan Del Negro, Vice President of Finance/VRI
Michael McManus, Director of Resorts/VRI
Israel Soares, General Manager

Others: Ralph J. Browne, Advisory Member

II. APPROVAL OF AGENDA

MOTION: Stuart Allen moved to approve the agenda as presented. Motion was seconded by Roy Fraser and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES (04/03/09)

MOTION: Stuart Allen moved to approve the meeting minutes of April 3, 2009 with correction to the spelling of Ralph Browne's name. Motion was seconded by Roy Fraser and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

Israel Soares updated the Board on the following items:

Front Desk

- The front desk staff prepares check-in paperwork for each owner that will be arriving and mails it to the Seawinds II owners two weeks prior to arrival.
- The staff continues to call delinquent owners to collect 2009 maintenance fees and establish payment plans.
- New aerial photos of Riverview Resort have been added to the website.
- The second floor owner's lounge is now open from 5:00 a.m. to midnight.

Resort Activities

- Beach passes were purchased for the 2009 season.
- New economic stimulus package has been designed to help guests obtain discounts at participating businesses on the Cape from restaurants, gift shops, grocery stores and other retail shops. The shopping card (Cape Cod Light Card) is available at the desk.
- Basketball, horses, bocce ball, and badminton have been added to the resort's activity calendar and the activities are coordinated by the front desk staff. (Basketball hoop is removable and will be stored in the offseason).

Studio Unit Reconfiguration

- The maintenance staff worked on the new layout of all studios units based on input from the last Board meeting. The TV cabinet now is facing the sofa and the bed allowing guests to watch TV and new track lighting has been installed eliminating table lamps.

Televisions

- Television signal changed in February 2009 from analog to digital with no problems or expense to the resort. We have placed 27" televisions in each living room and plan on upgrading the 19" televisions in the bedrooms with 27" over the next year or two.

Laundry

- The community washer and dryers were converted to coin operation and average \$40 to \$50 dollars a week which is helping to offset energy cost.

Owner's Lounge

- The Board discussed security procedures and cost associated with extending the owner's lounge hours of operations. Management was directed to draft a plan for overnight security.

B. Financials

Jonathan DelNegro reviewed month-ending June 30, 2009 financial statements. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement, and Cash Flow Analysis.

Jonathan distributed and reviewed a draft copy of the auditor's report for December 31, 2008, and financial statements from Bloom, Cohen, & Hayes, LLC.

MOTION: Stuart Allen moved to accept the June 30, 2009 financial statements as presented. Motion was seconded by Roy Fraser and approved unanimously.

The Auditor's report was tabled to next meeting when the Trustees have had an opportunity to review it.

V. **NEW BUSINESS**

A. 2010 Budget

Michael McManus and Dan Gallagher reviewed the proposed 2010 budget.

MOTION: Stuart Allen moved to approve the 2010 budget as amended reducing proposed operational by \$10,000 and increasing SeaWinds II service fee by 2%; thus establishing maintenance fees of \$339.73 per studio, \$565.98 per one bedroom and \$679.45 per two bedrooms. Motion was seconded by Roy Fraser and approved unanimously.

The Board directed management to prepare a report for the next Board meeting in chart form detailing the numbers of performing and delinquent accounts and explaining all forms of use and ownership along with the number of intervals associated with each category.

B. ABC Billing Policy

Michael McManus reviewed a proposed 2010 Assessment Billing and Collection policy explaining that it is unchanged from 2009.

MOTION: Stuart Allen moved to renew the 2010 Assessment Billing and Collection policy as presented. Motion was seconded by Roy Fraser and approved unanimously.

C. Travel Insurance

Michael McManus stated that the Timeshare Protection Plan is again available to timeshare owners and explained that the Board approved including a brochure in last year's assessment mailing. Michael reminded the Board that Owners wishing to purchase coverage were given the opportunity to include their premium with their 2009 maintenance fee payment and this option was included in their invoice.

MOTION: Stuart Allen moved to include the Timeshare Protection Plan brochure with the 2010 maintenance fee billing adding the optional premium payment to the assessment invoice. Motion was seconded by Roy Fraser and approved unanimously.

D. 2010 Reserve Items

Michael McManus distributed an updated of Future Year Reserves cash flow report and explained that the next major capital expense will involve reconstructing the pool's circulation system. The Board noted that at the current Reserves funding, Colebrook debt service and other necessary Reserve expenses will deplete the Reserves fund by December 31, 2011.

The Board directed management to review the Colebrook loan contract and research repayment and/or refinance options for the Board to review at its next meeting.

VI. OLD BUSINESS

A. Sales

Rich Muller reported that the previously approved sales program through VDS at The Cove at Yarmouth is finally underway after numerous delays in obtaining a form of "Certificate of Beneficial Interest" acceptable to the Registry of Deeds. Rich stated that legal counsel finalized the sales documentation only last week but there have already been five weeks sold. Rich reminded the Board that the weeks are being marketed in the form of RCI Points and are subject to an alternate annual maintenance fee as previously approved by the Board.

B. Board Member

MOTION: Roy Fraser moved to appoint Ralph J. Browne to fill the remaining term of Ted Schuster's unexpired seat. Motion was seconded by Stuart Allen and approved unanimously.

C. Conserve Energy / Solar Power

Tabled until the next Board meeting.

D. Flood Insurance

Michael McManus distributed and reviewed a flood insurance proposal from Hartford Insurance Co.

MOTION: Stuart Allen moved to decline flood insurance coverage. Motion was seconded by Ralph J. Browne and approved unanimously.

VII. OTHER

A. Open Discussion

The Board reviewed the July 2009 newsletter and directed management to add an article outlining the new sales program at Riverview in the August newsletter.

B. Next Meeting Date

The next regular meeting is scheduled on Friday, September 11, 2009, 2:00 p.m. at VRI, Hyannis Ma and the Annual Meeting is scheduled for Saturday, September 12, 2009 at 10:30 a.m. tentatively at the Radisson Resort, Hyannis, MA.

VIII. ADJOURNMENT

MOTION: Stuart Allen moved to adjourn the meeting at 12:40 p.m. Motion was seconded by Ralph J. Browne and approved unanimously.

Stuart Allen, Secretary

MJM/jmf

rvr: 072409min