





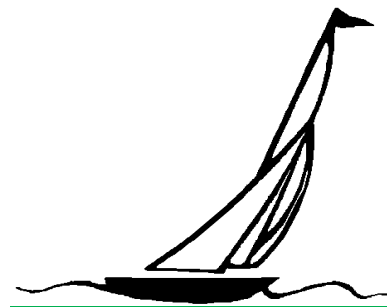




Season's Greetings from
HARBOR RIDGE
PO BOX 725
SOUTHWEST HARBOR ME 04679

Maintenance fees are due January 1 for all float owners & fixed week owners of Weeks 1-26. Should you need payment arrangements, call us toll free at 866-384-0231 or email us prior to January 1.

 <p>Have you heard about Club Interval Gold, the points based membership?</p>	 <p>Yes, they will be doing on-site presentations this winter about the advantages.</p>	 <p>The points based membership shows all available inventory, no matter what you own or how many points you have.</p>
 <p>I like the option to do multiple short stay vacations. That would be perfect for outlet Shopping in NH.</p>	 <p>Harbor Ridge believes strongly in this product and encourages owners to become involved. The cost thru the Harbor Ridge Office is \$495. This is a steal!</p>	 <p>Don't delay! Call Harbor Ridge today to set up your Club Interval Gold points membership!</p>



View from the Top

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Number 3

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Winter Hours for Jan. 8—Feb. 15:
Monday - Thursday
8:00 am - 7:00 pm

Friday - Sunday
8:00 am - 9:00 pm



Why get involved in Club Interval Gold at Harbor Ridge?

- Shows all available units for exchange.
- Avoid upgrade fee changes that have recently been established at Interval.
- Get the benefits of both Interval's Gold and regular memberships.
- Access to a points based program for an extremely reasonable cost of \$495.

Manager's Update

Merry Christmas, Happy Hanukah, and Happy New Year from all of us here at Harbor Ridge.

We want to thank our owners and guests for their patience during the recent pool closure. We had to replace electrical wiring that had been damaged due to the humidity in the pool area. The new LED lights that were installed last winter were lowered and rewired. The pool structure has been professionally cleaned, inspected, and repaired by a pool service vendor. We apologize for the extended down time; however, it was necessary to ensure that we repaired the pool properly to avoid future downtime.

This fall Annette held weekly presentations for on-site guests to educate them about Interval International's point-based membership, Club Interval Gold. The presentations seemed extremely helpful, and management has decided to hold group presentations at Harbor Ridge for any owner on select dates throughout the winter. Please contact the Front Desk to reserve your space. This would be a great opportunity for an owner getaway.

Club Interval Gold Presentation Dates

- Wednesday, Dec. 27 at 9:00 am
- Friday, January 12 at 7:00 pm
- Saturday, January 13 at 10:00 am
- Saturday, January 13 at 2:00 pm
- Friday, February 9 at 7:00 pm
- Saturday, February 10 at 10:00 am
- Saturday, February 10 at 2:00 pm
- Friday, March 3 at 7:00 pm
- Saturday, March 4 at 10:00 am
- Saturday, March 4 at 2:00 pm

Holiday Hours

Christmas Eve
8:00 am—6:00 pm

Christmas Day
8:00—4:00 pm

New Year's Eve
8:00 am—7:00 pm

New Year's Day
8:00 am—7:00 pm

Owners can purchase bonus weeks for \$379 to be used thru Interval International. Also, we look forward to seeing owners, who choose to confirm an owner getaway at Harbor Ridge. Unfortunately, owner getaway rates are not valid on school vacation weekends, and they can only be booked less than 7 days away from check-in.



In Memorial Jerry R. Williams (1937-2017)

Board member Jerry Williams passed away in November. Jerry served on the Harbor Ridge Board of Directors for 15 years. He and his wife, Ellie, owned of multiple weeks at Harbor Ridge since 1996. While vacationing Jerry enjoyed speaking with owners and guests to enhance his understanding of owner expectations and concerns. He also served on the board of directors for Rangeley Lake Resort for a few years. Jerry will be greatly missed! He will be most remembered at Harbor Ridge for sharing lots of details about each of his timeshare vacations.

Condominium Association Special Meeting Minutes Saturday, December 2, 2017

President Tim Letourneau called the meeting to order at 10:00 AM. A moment of silence was held as Board Member Jerry Williams recently passed away.

The following board members and managers were in attendance: Tim Letourneau, Dianne Lytle, Jan Franz, Linda Connelly, Annette Bartlett, and Margaret Austin. Owners in attendance introduced themselves.

Annette collected the proxies from those in attendance, then reported the final tally for the election of the new board position. The total results were David Ezzio - 92.5, Jim Nicholson - 165.5, and Kurt Zemba - 57.0. Jim Nicholson has been elected for a five-year position.

Margaret discussed the Profit and Loss Previous Year Comparison. Bonus week income was less this year due to Week 53 in 2016. Club Interval Gold sales have increased this year. Legal fees have increased due to multiple resales and deed transfers to children.

Gift Shop income is listed as gross revenue and the off-setting expenses are stated. Rentals are down. HR collects a 30% rental commission. If an online booking is made, a 15% rental commission is made to the online booking agent. If an online booking starts at the HR website, no commission is paid to the booking agent. Weeks 18-42 are the best rental weeks. The weekly rental rates were increased from \$1,000 to \$1,200 this year for June and September weeks. There were complaints from our repeat customers, and management worked with these repeat customers for retention.

Bad Debt expenses are non-performing units. Credit card charges are up due to the increase of credit card use for consumer rewards, along with most of our transactions being a manually keyed transaction. Credit card use is a cost of doing business. To guarantee rentals, credit card transactions are best.

Overall contract expenses are slightly lower. Pest control is up due to monthly bed bug prevention measures. We have a maintenance contract on the pool dehumidification system. Dead River service contracts for propane and oil will be changing in May 2018, as they are eliminating the presidential plan. The new plan is a cost sharing plan for parts and labor.

The overall insurance costs are lower due to changes in health insurance and the number of employees covered in 2017 vs 2016.

Following the management's explanation of the profit and loss, Tim asked if there were questions from the floor. David Leisner had a property tax question. Property taxes are paid twice a year, and the liability is shown on the balance sheet. Property tax costs remain steady. HR collects property taxes for the Town of Southwest Harbor.

Peter Kuda asked why repairs and supplies were so much higher this year. Several hardwood floors and carpets were replaced. We replaced all living room chairs. We moved the living room chairs to the guest bedrooms, and then we sold the older bedroom chairs. There are larger TV's coming for the living rooms. The current living room TV's will be relocated downstairs for DVD use only. Management works diligently to do improvements within the budgetary constraints to keep maintenance fees low.

David Ezzio had an insurance question for 2016 vs 2017. The business office and umbrella insurance policy of \$47,000 is a significant portion of the expense. We have a \$5,000 property deductible and a \$5,000 Worker's Comp deductible per incident. Worker's Comp went down due to an improved experience rating. The employee health insurance cost of \$49,500 was lower due to fewer employees insured. The property is valued at \$12.5 million, and building and content replacement value is increased annually. HR will review the policy with Cross Insurance again in February.

Peter Kuda asked about comparing different insurance companies. Management has compared plans, and costs vary due to HR being a not-for-profit owners association. Tim stated that Cross Insurance is the most competitive provider in this area.

Several questions occurred from the floor regarding owners paying maintenance fees by check to save credit card costs. Credit card charges are higher for HR be-

IMPORTANT RATES:

Owner Getaway Rates (tax included):

\$95 for one night
\$150 for two nights
\$199 for three nights

Great Room Usage Rate:

Up to 25 people, it is \$3 per person.
For more than 25 people, the room charge is \$75. Maximum occupancy: 50

Club Interval Points: \$100 per 10,000 pts.

Internal Exchanges: \$89.00

Based upon availability within your season of ownership.

cause the credit cards are manually entered versus swiped due to the nature of our business. To reduce costs, staff asks for mailing addresses and security codes. December, January, June, July, and August have the highest credit card charges due to maintenance fee and rental payments. The average credit card charge is 3.5%. Multiple recommendations came from the floor requesting Management add verbiage to invoices asking owners to pay by check to help defray costs.

David Ezzio questioned bad debt. HR uses accrual accounting, and all maintenance fees due are reported as revenue, but cash is not received. There are 86.5 weeks owned by the HOA. When weeks are resold, the purchase price is applied to maintenance fees owed. Bad debt was not written off for many years, and management is now routinely writing off bad debt.

Tim asked for approval of the budget as presented. It was a unanimous acceptance of the budget.

Transaction of such business as may properly come before the meeting:

Peter Kuda discussed his 2017 stay and commented on the fire pit experiment using charcoal for the campfire s'mores activity. Peter purchased the charcoal, and he wanted the HOA to supply charcoal going forward. Owners present did not feel the HOA should be responsible for the agreed-upon solution. Management stated that they received comments from guests that they preferred wood fires, including an eight-year-old who missed seeing the flames. Annette was present and the charcoal smell had stronger odors at the initial igniting. Peter stated that he was concerned about wood fires later in the week. Annette reported that due to the s'mores evening being on Monday, it is rare that fires are lit on other evenings. At most, generally there are two fires in a week. This topic is closed.

Peter Kuda stated they happily stored their bikes in the new shed during their stay. The shed is now being used for equipment winter storage. This now fulfills a long overdue wish list item.

David Ezzio asked about the use of solar power. Tim reported that it had been reviewed in the past and the pay back was too cost prohibitive. Tim reported that regulations are changing and electric companies may not be reimbursing solar power users.

HR just renewed a 3-year electrical contract where costs are less than the previous contract. HR upgraded to LED bulbs in the bathrooms and some reading lamps. Due to specialty light bulbs, the initial outlay was originally \$8 per bulb. Now, through Efficiency Maine, the specialty bulbs were \$1 each. The new bulbs resulted in significant savings in the first electrical cy-

cle. Since LED bulbs are meant for longevity, David Ezzio recommended putting a small amount of lubricant prior to screwing in the bulbs for easier future replacement.

David Ezzio reported that the floor squeaks in Unit 12. Annette reported that Units 11 and 12 have far fewer squeaks than the prior flooring, and she'll see if the contractor can make improvements without removing the entire floors.

The meeting adjourned at 11:10 am.

Respectfully submitted by,
Linda Connelly, Secretary

Interval International Recently Announced Hotel Exchange

Hotel exchange is the newest way for Interval Gold, Club Interval Gold, and Interval Platinum members to widen their vacation world. Interval has recently launched the hotel exchange, which allows members to exchange their week or points toward a hotel or condominium-style resort stay—thanks to seamless access to quality hotels and inventory sourced directly by Interval. The hotel exchange inventory is in urban markets, such as New York City, and international destinations, such as London and Paris. Interval hopes that this new option will meet a need in markets that are traditionally underserved by timesharing, as well as in popular travel spots, such as Hawaii and Aruba, where the exchange demand often exceeds the supply of resort space that members have provided to Interval.

Hotel exchange is the latest addition to Interval Options, which already allows upgraded members to exchange toward cruise, tour, golf, or spa vacations, or unique Interval Experience adventures, enhancing the flexibility and value of membership.

“Our member research clearly indicates that a hotel exchange benefit is desired by our members,” says Sharon Freed, Interval's senior vice president of consumer marketing. “In fact, 79 percent of members surveyed said that they found the ability to exchange their timeshare week or points toward hotel accommodations valuable.”

Hotel exchange can only be conducted online at www.intervalworld.com with a transaction fee. It is initially only available to upgraded members. An additional payment may be required depending on the value of the week or points relinquished compared to the value of the hotel stay.