



RESORT NEWSLETTER

SUMMER EDITION 2017



LIMITED PARKING AT THE RESORT DUE TO NEW CITY ORDINANCES

In December 2016, the City of Galveston made changes to the parking restrictions previously established for our owners and guests. The changes that are now strictly enforced by the Galveston Police Department and City of Galveston Public Works Division are as follows; no employee, owner, or guests of FSOTG will be allowed to park any vehicle, trailer, RV, or boat on the street of Avenue U as it has now been designated "No Parking Anytime" zone. Furthermore, in compliance with the City of Galveston's revision on Seawall parking, the following applies to everyone; no vehicles, boats, RV's, or trailers are permitted to park on either side of Seawall Blvd overnight. Seawall Blvd. is a paid parking area by the City of Galveston and allows visitors all day parking for \$1.00 an hour from 10:00 am to 6:00 pm daily. All guests may enjoy free public parking 6:00 am to 10:00 am.

Due to the newly imposed City Ordinances on parking, we had no choice but to establish that the old tennis court area will be a permit only parking area for our owners, guests, and the designated area for employees to park. The tennis court area will no longer be available for its designated purpose or any other recreational use due to it now becoming a parking area. Until further notice, the tennis court will be called the "Overflow Parking" area. The driveable entry point to the Overflow parking area is not paved, but a path has been made drivable on the grass area located by Unit 11. This parking area gives our owners and guests additional parking spaces for those that would normally park on the curbside street of Avenue U and while also having all the available parking areas of the A and B sides of the property to park. However, parking on the sidewalks or grass areas of either the A or B sides will not be allowed. Large boats, trailers, RV's, or any other large vehicle that exceeds the size of one parking space will not be allowed (no one may encroach upon on any other parking space). Towing enforced 24 hours a day from our arrangements with local towing companies.

The resort may only be able to accommodate one additional parking space other than the one in front of the assigned condo. Therefore, FSOTG will be strictly enforcing its parking tag policy for our resort owners and guests. As before, each condo will only be issued two (2) parking tags at no upfront cost at check-in from the front desk. Additional parking tags are available for a daily or weekly fee on space available basis and may not be able to honor for more than two (2) tags during high peak seasons or special events. The parking tag fees are as follows; \$10.00 daily or \$30.00 weekly; unreturned parking tags have a \$30.00 replacement fee that is in addition to the daily or weekly fees. These fees are just an example of the type of incidentals that may charge to the credit or debit card you provide at check-in. All owners and that of their guests need to be sure they understand the parking rules, restrictions, and have their parking tags always visibility displayed correctly. Our Guest Services team will be contacting every guest inbound at least two weeks in advance to confirm arrival and ask how many vehicles you will have and provide options at that time.



GENERAL MANAGER EXTENDS CHECK-IN TIME ON SATURDAYS FOR THE SUMMER

Last Summer, the General Manager; Salvi Bautista, introduced the extended hours for check in from 4:00 pm to 8:00 pm along with an extended check out time at 11:00 am. While the extended check-in hours only remained until the end of the Summer of 2016, the check-in of 4:00 pm and the check-out of 11:00 am remain in place.

This Summer Season at the resort, Mr. Bautista has extended the check-in time for Saturdays till 10:00 pm for your convenience. The staff will be onsite till 10:00pm beginning on Saturday, June 3rd, 2017 for anyone who will be arriving late or they will be available for any questions and service needs. Mr. Bautista is also interested and looking into all the options in the future to offer extended hours for all owners or guests throughout the year, so stay up to date on your newsletters and emails for any news regarding any more changes.



BOARD DISCUSSES A PLAN FOR A PENDING SPECIAL ASSESSMENT FOR THE REQUIRED INTERIOR RENOVATIONS

The FSOTG Board of Directors has been in discussion over the last year with owners who have attended our regular board meetings regarding renovations and ideas for to the interiors of every condo. As the exterior renovations begin to wrap up finally, the plans are in the works for what the interiors need based on owner feedback, RCI Inbounds, and rental guests to bring to property current and competitive in the market for what we offer as a rental and ownership benefits.

General Manager, Salvi Bautista, had a very detailed conference call with our RCI account executives regarding the state of the property and the challenges FSOTG has faced. One of the biggest challenges is our owner base is aging out while our new owner base needs to be relevant to attract younger families, then the issue remains that to attract a new younger owner base FSOTG needs to be able to offer everything that would attract families to buy such as new interior furnishings.



Some may wonder, “Why does RCI or their members’ opinions matter versus us Owners?” To answer that question 1st you need to realize that more than half of our current ownership of 700 account owners belongs to RCI and many of our owners use our property for excellent exchanges to go to other resorts around the world. To risk losing our RCI Affiliation means that we also risk losing a very large portion of our current base that is something that FSOTG cannot afford to do. The benefit to the resort of remaining an RCI Affiliate is also a sure way to directly attract new owners, as these members usually own at other timeshares and understand our business model. But we can’t attract enough RCI member buyers if the property’s interiors do not get renovated.

The Board will discuss any plans that may be in the works for a pending Special Assessment at this year’s HOA Annual Meeting. Further future updates will be issued in some form of communication from the Board and FSOTG as a plan progresses on what is going to occur. Ensure you read any communication sent to you from the FSOTG by mail or email.

BOARD APPROVES CHECK PAYMENTS MADE FROM THE RENTAL POOL PROGRAM FOR OWNERS

On March 23, 2017, the Board of Directors approved an action to change the existing Rental Pool Program for its owners. The program will now allow owners to receive rental income paid to them by a company check only under the following conditions:

- Owner’s rental income from the Rental Pool exceeds the amount of next year’s Maintenance Fees
- The Owner has returned to the General Manager a Taxpayer ID Form, and any other required paperwork is complete.

The change will allow owners a chance of receiving possible income while being assured that only the following year’s Maintenance Fees receive a credit and not any forthcoming years. A revised rental pool agreement has been made to reflect this important change, while everything else about the program will remain the same. If you are interested in placing your ownership week into the Rental Pool, contact the office today where one of the Guest Services team members will guide you thru the process and answer any of your questions.

AUTOMATIC MONTHLY PAYMENT PLAN FOR YOUR ACCOUNT FEES ARE NOW AVAILABLE

The Board approved in a past regular meeting to allow all current paid up to date owners to begin a monthly automatic draft payment plan to pay their account dues. These plans can be setup with the office staff by providing them a credit or debit card and payment schedule to get this started. This program begins with all eligible 2017 ownership accounts that are currently paid up to date.

Establishing a 2018 Maintenance Fees payment plan is only a phone call away. The payment plans will only be made on a per year basis and will be set up to complete the final payment by the Maintenance Fee due date of January 1st. If you are interested in setting up a plan today, call the office today at 409-763-7138 or email at guestservices@fsotg.com.

RETURN YOUR PROXY TODAY

As a reminder, your proxy forms are included with this newsletter. Be sure to return it ASAP to our office by fax at 409-763-7152, by email at voting@fsotg.com, or by mail to 4000 Seawall Blvd., Galveston, TX 77550.



NEW VENUE FOR THE 2017 FSOTG HOMEOWNERS ASSOCIATION ANNUAL MEETING IN JUNE

This year's Homeowners' Association (HOA) Annual Meeting will be on Tuesday, June 20th, 2017 at the Hilton at 5400 Seawall Blvd. in Galveston, TX. The venue officially announced in the last newsletter that was mailed out in November 2016 to all owners. The HOA Annual Meeting will start at 6:00 pm to approximately 8:00 pm. The Hilton will be providing ice water, ice tea, and coffee. Registration will begin at 5:00 pm with your resort office staff checking in our owners and providing everyone with a Meeting Agenda, ballot or collection their proxies, last years' HOA Meeting Minutes, and a name tag.



The meeting will cover a review of the last year's business, the status of the exterior renovation and construction project, and discussion of plans for the much needed interior renovation project. Also, the amendment to vote and change the timeshare week period from a Saturday check-in to a Friday check-in, and the 2017 Election of the Board of Directors, and other valuable information.

Included with this newsletter mailing is your 2017 HOA Annual Meeting Notice, Annual Meeting Agenda, and a Proxy Form, along with the Proposed Amendment. Owners who will be attending, submit a proxy to ensure your vote does not get unheard; those present will receive a choice to either vote that day with a ballot or just allow FSOTG to keep their proxy as the casting votes at registration sign-in of the annual meeting.



GEORGE "RICK" BURRIDGE (INCUMBENT)

Hello, my name is George "Rick" Burrige, and I am the owner of Burrige Services Group Inc. out of Mesquite, TX (a suburb of the Dallas area) where I currently reside. I became an owner with FSOTG in early 2015. I have served as the President of the Lions Club and have been a longtime member of that organization. I have been on the Boards, and Committees of many other organizations, including serving as a local city council member and Mayor of my home community.

I accepted an unexpired appointed term by the Board to fill a vacancy in late 2015. My experience of management in insurance policies has helped benefit the resort in policy renewals and savings. I would like to continue serving as a Director for FSOTG and looking forward to continuing to save the Association money on all its property and casualty insurance policies.

ABELINA CHAPA

Hi, my name is Abelina Chapa. I am a long time resident and homeowner in the southeast Houston region. My background is in Real Estate Consulting -serving primarily Galveston and the surrounding Houston area. In the past, I have served on various boards and church organizations. I would welcome the challenge and the opportunity to serve as a Director for the FSOTG Board.

My collective experience and skills are in: administration, housing development, accounting, special events, fundraising, finance and community service. I feel that I can help with the efforts of upgrading the conditions at FSOTG, as well as assist with handling financial and fiduciary responsibilities for the members. I would appreciate your vote and welcome your continued support.

NIKKO FARR

Hello, my name is Nikko Farr. I am interested in joining the Board here at FSOTG to offer my professional assistance in any way I can. I see positive and well designed improvements taking place, I want to help on continuing to foster a positive and encouraging attitude for all. I would like to offer my expertise and assistance in any way to further this cause.

I am a medical field professional, living in Southwest area of Houston, TX and I travel to the island several times a week. My background is also in HR and management services. I see areas here that I can contribute my expertise to. I would like to be a voice and an asset in the overall ongoing improvement process.

MARCIA POWELL

Hello, my name is Marcia Powell, and I am a recently retired school teacher from Houston, TX area where I also reside. I am still an active committee member for teachers of Milby High School in Houston. I own a Week with FSOTG that I inherited from my parents who were original owners of the property. I am very familiar with FSOTG, and all the changes that have occurred throughout the last 30+ years at the resort.

If elected, I have a unique perspective of being a Galvestonian for more than 20 years, while also working and raising my family. Therefore, I understands what the "island life" is all about and I have always shared some of the ideas with management on what the resort can do to grow owners and continue to generate revenue. My experience has been with HR and staff management among my other skills that if elected I could bring those skill sets to help improve the resort operations and employee management.