

**Dunes of Panama Phase IV Owners Association
Annual Owners Meeting
October 15, 2016
12:00 P.M. Local Time**

Minutes

Call to Order, Proof of Call, Quorum

Dr. Warren Banach called the meeting to order at 12:00 p.m. central time. Jeff Mynard, Assistant Secretary verified that the meeting had been properly noticed and that there was a quorum present.

Approval of Minutes- October 17, 2016

Dr. Warren Banach asked for the minutes to be reviewed for any corrections or additions. A motion was made to accept minutes as written. The motion was seconded, roll was called and motion passed by a unanimous vote.

Presidents Report

Dr. Banach welcomed everyone to the meeting and asked for any new owners to stand up and introduce themselves. The new owner of D106- Jimmy Pace and the board welcomed him to the Dunes.

Election of Directors

The directors for 2016-2017 are Warren Banach, Steve Mixson, Joe Bowers, Todd Shaw, Steve Zagorski, and Whit Duskin, and Wes Ezell.

Financial Report

Jeff Mynard reviewed and discussed the following reports:

- Income and Expense for 1/1/16 to 8/31/16
- Balance Sheet as of August 31, 2016
- Cash Flow Projections 9/1/2016 to 12/31/2016
- Proposed 2017 Budget
- Schedule of Reserves for 2017

The Income and Expense Statement January through August shows a total income of \$233,815 and total expenses of \$220,017. The income is pretty straight forward it is your maintenance fees that you pay every month. You also have two antenna cell towers that we lease out, this

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year it will pay us about \$36,482. Late fees are charges for those owners who don't pay their fees on time. We had a couple of problems but those have been worked out in the last six months and the accounts receivables are pretty low. We are projected to end the year with about \$323,711 in income and \$329,694 in expenses. The most significant budget variance item is Insurance; it has been a very favorable insurance market in Florida due to no hurricanes. Jeff did speak to the insurance carrier yesterday and he said the majority of the commercial losses in Florida are pretty small. He thinks the insurance will stay the same and will remain competitive. Garbage is up a little it was a very busy year and is continuing through October. Given the amount of cash that we will have at the end of the year we will not collect fees for the month of December, this is attributed to the roof top lease income. Most of the accounts are pretty routine and make these expenses fairly easy to budget.

The Balance Sheet as of August 31, 2016, shows cash in the bank of \$31,117. Accounts Receivable is \$1,048; Accounts Payables are \$4,321. Unearned Maintenance Fees (maintenance fees paid in advance) are at \$5,198 and the FEMA loan balance is \$53,105. Jeff Mynard notes that everything on the Balance sheet looks very normal and routine.

The Monthly Cash Flow Projections show starting cash of \$31,117 and ending the year, without collecting December fees, cash will be \$10,521. This concluded the financial report with no additional questions. Overall the financial health of Phase IV is good.

Next item discussed was the Proposed 2017 Budget. Jeff states that the next report shows the budget and the projected year-end, keeping the maintenance fees the same as the last four or five years and keeping the lease income at \$349,300. The Total expenses projected for 2017 shows total expenses of \$347,539. Jeff noted that in Insurance he did bump up the fees up a little bit but tried to keep everything else pretty close to what the previous year was unless we know of something coming up. Jeff tells the owners that at last year's meeting they talked about the fire pump, we had to replace it and it was about \$27,000 but we were able to do that without having to do an assessment.

With no further questions, a motion to approve the financial report and 2017 proposed budget as presented was unanimously approved.

Reserve Account

The requirement to fund a reserve account was waived with a vote of 28-5. The review of the association records was waived as well with a vote of 32-1.

Other Business:

Jeff tells the board that he is sure that they have received the letter and probably have questions about the assessment coming up and what that is for. We have been talking a long time about the walkways and getting rid of the carpet and going with something different. There was a lot

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of discussion on what to do with it and the other buildings have already installed tile on their walkways and it seemed to have been a pretty good solution and has held up fairly well over the last year. Also, we were looking at updating the lobby and changing out the floor tile and the tile in the elevator. When it is all said and done, the brand new tile will go all the way from the ends of the building in front of the elevators on into the garbage rooms and stop at the stairwells. To do all twelve floors and the lobby it is about \$43,000 and that was part of the assessment that we recently sent you. They have already started on the lobby and they have taken up the tile in front of the elevators and the carpet off the walkways.

The next item brought up by an owner is the alarm system in the building. She states that it went off yesterday and she had to evacuate the building to find out it was a false alarm. She asked if there is some way we could notify the occupants that it was a false alarm. Jeff stated that unfortunately there isn't but you can call the office or security's

Adjournment:

There being no additional business discussed the meeting adjourned at 1:00 p.m.

Respectfully Submitted

Jeff Mynard, Assistant Secretary