

**Dunes of Panama Phase V
Board of Directors Meeting
August 19, 2017 10:15 A.M. Central Time**

**“E” Lounge
Minutes**

Call to Order, Proof of Call, Quorum

Vice President Dr. Warren Banach called the meeting to order at 10:15 a.m. Jeff Mynard, Assistant Secretary reported that the meeting had been properly noticed and a quorum was present. Members present were George Wilson and Jim West. Attending via Telephone were Mike Allen, Lynn Brown and Mike Lapio. Jimmy Calton was absent. Employees attending were Jeff Mynard, Joyce Hall, and Bethany Stokes and Tonya Clay.

Approval of Meeting Minutes April 22, 2017

Dr. Warren Banach asked for all members to review the minutes from the last meeting for corrections or additions. A motion was made by Lynn Brown to approve minutes as written, seconded by Jim West. The motion passed by unanimous vote.

Financial Report-Treasurer

George Wilson reviewed and discussed the following financial reports.

- Income and Expense report from 1/1/2017-7/31/2017
- Renovation Expense 10/1/16 to 07/31/17
- Balance Sheet as of 07/31/17
- Cash Flow Projection for 8/1/17 thru 12/31/17
- Proposed 2018 Operating Budget

George Wilson started the financial report with the Income and Expense report. George reported that everything looks good and we are in pretty good shape. Bank Charges are up about \$2,481 and this is due to the special assessment and all the owners using their credit cards. Jeff tells the board that he and George were discussing thing and something that might make sense would be, as far as routine operations just leave it in there as an operating expense. However, next time we have a special assessment we can give them the option of paying in cash versus credit card and then that's one neat clean option, but we can cross that bridge when we get there. Bad Debt is up about \$7,000 but the good news is someone has bought E301 and we did get some of the money from the assessment but not all of it. Jeff explains that he labored under the impression that we would be able to go back and collect the special assessment, and that's what really hurt us, but the

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one year retro-active from the time the bank takes over is only applicable on regular monthly maintenance fees. Next item of note is Insurance shows a favorable variance of \$22,219 and this attributed to the fact that insurance went down. R&M Building, starting in September we went up to \$2,400 and this is to start the painting on the 3 bedroom unit's balcony railings, however, we do have to come up with more money to finish that. All the other expenses are flowing within their normal variance and if nothing happens we will have about \$28,000 left at the end of the year. Lynn Brown asked about the water meter, she states that at the last meeting we talked about the meter being broke, did they ever get that fixed. Jeff tells the board that yes they did get it fixed so that windfall is over. Jim West asked if the insurance defect will remain for the coming year. Jeff Mynard answered yes, the policy renews in May and right now all we have is a standard payment that we pay through the remainder of the year.

Next report discussed is the Building Renovation Project and it shows that we went over about \$5,000 and that was because we ran into problems with the windows. The window seals weren't solid and to be warranted they had to go back in and put some brackets in. With no further questions, George continues to the next report.

The Balance Sheet as of July 31, 2017, shows cash in the bank at \$24,374. Accounts Receivables are at \$19,069 and Accounts Payables are at \$4,754. George states that this report is pretty straight forward.

George Wilson continues with the Cash Flow Projection 8/1/17-12/31/17. As of August 1, 2017, there is \$13,595 cash in the bank and ending the year with \$23,355. George states that we are not expecting anything to come up so we should be starting the year with that \$23,000. With no further questions, a motion was made by Lynn Brown to approve the financial report as presented, seconded by Mike Allen. The motion passed by unanimous vote

Proposed 2018 Operating Budget

The Proposed 2018 Operating Budget is the next report discussed. George notes to the board that it is a little below the 2017 budget so we shouldn't have a fee increase. In 2017 the Bank Charges were a little heavy because of the special assessment so we shouldn't have that in 2018. Bad Debt is done; all the units have sold that were in foreclosure. Elevator Maintenance we kept at \$20,000; we spent \$26,771 but that was to redo the elevators and plus we are going to be getting a 10% discount on the annual contract. Jeff tells the board that the annual maintenance contract on the elevator is about \$16,000 and that's if nothing happens. Insurance is down again this year but again it renews in May so it can go up or down. R&M building we went up just a little bit for the painting of the railings. Utility Water is up; the meter has been broken and we have just been paying the minimum amount but they have now fixed the meter so we will see some increase to this expense. Lynn Brown also asked the board about the discussion that was held at the last meeting about Lori or Richard hiring somebody to do the rails since Lori stays so busy. Jeff tells the board that he agrees with Lynn that it is unrealistic to think that Lori is going to have time to paint the railing because she is really stretched too thin.

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Lori is actually helping us hire someone to paint the rails and we hope to get started after Labor Day, our goal is to get about six three bedrooms painted by year end.

George asked for a motion to accept the 2018 Proposed Operating Budget. Dr. Warren Banach makes a motion to accept the proposed budget as presented. Jim West seconded the motion, roll was called and the motion passes unanimously.

Old Business

Jeff tells the board that he wrote a letter to the owner with the dog and he had a conversation with him and you're not getting anywhere with him. The board asked Jeff if there are county leash laws or is there something we can do if he continues to disregard the rules and regulations. Jeff states what you can do is, we have already notified him and you could start fining him \$100 per day every time he does that up to a \$1,000. However, the only problem with fines is they are not a lien against the unit. The only thing you could do after he doesn't pay the fine you could restrict his use of the facilities but, he doesn't really use the facilities or you could keep him from voting. Jim West asked if we checked with the insurance company to see if we would be held responsible if that dog bites someone since we haven't stopped him from doing what he is doing or do we become more liable. It's a rule of the association and it is our responsibility to enforce the rules. After discussion, the board decides to have Jeff contact the attorney and see what we can do.

New Business

Mike Lapio notes that he was on the property in May there was some discussion on those of us who might be interested in replacing our sliding glass doors, is there anything happening in that area. Jeff explains that in June we had a lot of rainfall and during about a thirty-minute burst of wind, you would not believe the amount of water that was pushed in through the sliding glass doors. Jeff went and got two proposals from two different companies and what we will do is put these out to the owners. If you're above 60 feet it is significantly different in price because of the type of glass that is used. They make a door now that is made of vinyl that meets the wind loads and it is significantly less expensive than the aluminum frame.

Lynn Brown asked Jeff if she was to do her three bedrooms how long would it take to take everything out and put it back in. Jeff tells her that he is thinking on a three bedroom you have 5 doors, it would probably take a full week. Jeff states that his concern is not just the functionality issue of the door itself but a potential damage causing to the interior of the units. The door tracks and the screws are obviously degraded to the point that water just leaks right through them. Jeff's recommendation is to communicate these two price proposals to the owners and see who is interested.

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Adjournment

Motion made by Dr. Banach to adjourn. It was seconded by George Wilson. Motion to adjourn passed unanimously.

Respectfully Submitted,

Jeff Mynard, Assistant Secretary