

**Dunes of Panama Phase V
Board of Directors Meeting
August 8, 2015 10:45 A.M. Central Time**

C building office

Minutes

Call to Order, Proof of Call, Quorum

Jimmy Calton called the meeting to order at 10:45 a.m. local time. Jeff Mynard, Assistant Secretary provided proof of call. It was determined there was a quorum. Directors present were Karan Brown, Don Jones and Lynn Brown. Director in attendance by phone conference were Tim Dorminey, Don Hogan, and Michael Schoenstedt. Directors absent were Dr. Warren Banach and Mike Allen. DOPMA employees present were Jeff Mynard, Bethany Stokes, and Tonya Clay.

Approval of Annual Meeting Minutes April 25, 2015

Jimmy Calton 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 Tim Dorminey. The motion passed by unanimous vote.

Financial Report-Treasurer

Jeff Mynard reviewed and discussed the following financial reports.

- Income & Expense 1/1 to 6/30/2015
- Balance Sheet as of 6/30/2015
- Cash Flow Projection from 7/1/15 to 12/31/15
- Proposed 2016 budget

The Income and Expense statement from January through June shows total Income at \$271,058 and Expenses at \$297,293. Jeff reports that everything looks as close to the budget by year-end at \$552,500 with a contingency of \$15,000. Insurance was the biggest contributor to that favorable variance coming in at \$-7,338. That includes the increase in the flood insurance but all the other insurance coverages came down quite a bit, which is attributable to a favorable business climate with no hurricanes in the past five years so there are more companies that are interested in doing business in Florida. Jeff notes that all the other accounts other than the Internet Service are within a thousand dollars from the budget. Internet Service was figured at the old rate instead of the new rate and at the time we did the budget we didn't know that there would be some construction cost for running the conduit between the buildings.

The Balance Sheet as of June 30, 2015 shows cash in the bank of \$10,021. Accounts Receivable is at \$15,268; this is a little bit higher from where we were last year. Accounts Payable are at

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\$15,588 and there is \$0 owed on the LOC. Jeff explains that most of the delinquent accounts is due to unit E2104 which is in foreclosure is about \$7,700. We expect to collect that amount by year end.

The Cash Flow Projection for 7/1/15 to 12/31/15 shows starting cash at \$10,021 and ending the year with \$36,862.

With no further questions or comments this concludes the financial report.

Proposed 2016 Budget

The Proposed Income and Expense statement from January through December 2016 show total Income at \$542,000 and Expenses at \$534,750. Jeff states that the budget is based on where we are projected to be at year end.

A motion was made by Lynn Brown to accept the financial statement and the proposed budget for 2016. The motion was seconded by Karan Brown. Roll was called and the motion passed by unanimous vote.

Three Year Plan

Jimmy Calton explains to the board that he has asked Jeff to work up a three year plan of what expenditures that may be coming in the near future and the report is attached to your packet. Jeff notes that the trash room doors, the metal doors leading into the trash chute room are in bad shape and almost thirty years old. Also the stairwell doors are in the same condition and need to be replaced. The common walkways the carpet is worn and needs to be replaced. The emergency generator engine; Richard has kept it running as long as he can but it needs to be replaced within the next couple of years. House water pumps are getting close to about twelve years old. The fire pumps operate but do not meet the performance levels required by code and that is going to be a problem eventually with the insurance company. We have talked before about doing something with the storm water that runs into the garage where the asphalt transitions to concrete at the top entrance to the parking deck. The garage gate operator Richard keeps it running but it is getting close to the end of its life as well. The windows on the Northeast and Northwest elevations have had some of the paint peeling off and we need to do something with the ones that we can reach. Those windows we have had problems with them over time where they leak during a wind storm and such and at some point we will need to replace them. Jeff explains that these are some of the things that are outside the normal routine year to year maintenance. Jimmy Calton commented this doesn't mean these things need to be done right but these are things will need attention down the road.

Jimmy asked Jeff in his opinion what would be the most pressing thing on the list. Jeff stated that he believes that replacing the fire pump should be first on the list. Jimmy Calton asked the board if they should put in a budgetary item to start escrowing some money for that \$35,000 to try to save and put it up for two years so we will have the money instead of just spending it on something else. After much discussion the board decided to amend next year's budget to put a line item for \$15,000 for the replacement of the pump. Jeff states that he will just increase the fire budget by \$8,000 which will match the income and expenses. Jeff reports that the company

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that painted Hidden Dunes came by and walked around with Jeff and looked at the condition of the building and \$320,600 was the best cost estimate for a couple of years from now.

A motion was made by Lynn Brown to amend the proposed 2016 budget to include the line item, motion was seconded. Roll was called and motion passed my unanimous vote.

Karan Brown asked Jeff if he had considered LED lighting for the property. Jeff states that he was looking at it at one point however; we replaced all the outside fixtures on the building so he may consider this at a later date.

Old Business

Don Jones reports to the board that himself, Lynn Brown and Karan Brown have spoken and emailed back and forth and we have come up with a package for the walkways. They have gotten some samples boards and have visited different properties that have used these samples to get a better idea of what it would look like. They have decided to go with a ceramic tile that looks like wood planks. They also got a quote from Kate at Source One on what it would cost to take up the carpet and existing tile on each floor and the cost to lay the tile as well. Kate did say once we have selected a tile that there would be a 4 to 6 week turn-around time to order the tile. Don Jones had a couple of question he wanted to go back and ask Kate to clarify on the quote she gave him. He stated there were a couple of things that needed to be clarified

After discussion the board decided to let Don Jones go back and get some definitive numbers that Jeff can send to everyone and we have a goal for the October meeting to go forth and start work in April or May. This will give us time to pick and order the tile and get on Source Ones calendar. The board also agreed to go ahead and do the lobby and the elevator cabs so that it matches. Jeff also asked Don to get some prices for the different size balconies so that if an owner was interested they could get their balcony done at the same time to match. Jimmy asked Don to get the numbers to Jeff so that he could send them to all the board members along with the assessment break down and we will present this to the owners at the annual owners meeting. Jimmy also stated that the board needed to have a meeting in September before the annual meeting to go over the numbers and vote on what we are doing before we present it at the owners meeting.

Jimmy Calton asked Don Jones if there was a follow up on the door mats. Don said no that he thinks that is a dead issue he stated that the guy he was talking to said he could do it for a certain price but after he got the Dunes logo he came back and said he couldn't do it for that price.

New Business

Don Jones reports that he has All Seasons and Peerless; both manufacture information packets on the sliding glass doors. Don states the only problem is trying to get a price out of them because they want a number of units that are going to have the doors replaced. Don also states that both of these manufacturers have agreed to come to the meeting in October and to be available to the unit owners to talk to them about the doors; this would probably be the best way to handle this.

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The board agrees that it would be a good idea to invite there manufacturers to the meeting to be available to the owners to answer any questions and if we give the manufacturers the mandatory color and then the owner can do whatever configuration works for them. Jimmy Calton wants to send a letter to all the owners letting them know that these companies are going to be there for them to ask questions and explore their options. Lynn Brown states to also include in the letter that the owners will be able to choose their own configuration but the color will be determine by the board of directors for continuity.

Don Jones reports on the entry doors that we are in the same situation with how many. Don got a quote on the fiberglass doors for all 114 doors would be \$76,000 but individually it would be \$672 each, includes lock, spring hinges and block for overhead closer and installation. This price would be for 50 or more doors. The annual meeting would be a great place to give this information out to the owners to get a general consensus. Mike Schoenstedt suggested that we pick a date that we are going to place an order for anyone interested in participating in a bulk type program. We can then contact the manufacturer and negotiate a price for the bulk order and after that order it would be up to the individual owner to negotiate separately. The board agreed and chose November 1st as the bulk order date.

Adjournment:

There was no further business. The meeting was adjourned by proper motion and vote.

Respectfully Submitted,

Jeff Mynard, Assistant Secretary