

**Dunes of Panama Phase III
Annual Owners Meeting
October 17, 2015 1:15 P.M. Local Time**

Clubhouse

Minutes

Call to Order, Proof of Call, Quorum

President John Horton called the meeting to order at 1:15 p.m. central time. Jeff Mynard provided proof of call and it was determined there was a quorum. John Horton introduced the Board members present which were Ed Duskin, William Lambert and Linda Willis. Marion Fesmire joined by phone. DOPMA employees present were Jeff Mynard, Joyce Hall, Bethany Stokes and Richard Simpson. New owners, Michael and Donna Uzzell, C306, were introduced.

Approval of Annual Meeting Minutes October 18, 2014

John Horton asked for a review of minutes from the last meeting and for any corrections or additions. A motion was made by Ed Duskin to accept the minutes, seconded by Linda Willis. The motion passed by a unanimous vote.

Financial Report-Treasurer

William Lambert reviewed and discussed the following financial reports.

- Income and Expense for 1/1 to 9/30/2015
- Renovation Income and Expense for 9/30-12/31/15
- Balance Sheet as of September 30, 2015
- Cash Flow Projections 10/1/2015 to 12/31/2015
- Proposed 2016 Budget
- Schedule of Reserves for Capital Expenditures and Deferred Maintenance 2016

The Income and Expense Statement for January through September shows income of \$149,977 and expenses of \$147,952. At year-end income is projected to be \$199,873 and expenses of \$202,511. This is a variance of \$6,319 under budget due to projects costing less than expected. The next item discussed was the Renovation income and expense report. Retaining wall construction came under budget. There is one bid so far for the replacement of the fire pump. We are waiting on other bids. The garbage chute, doors, and compactor projects are expected to be completed before the end of this calendar year. In August, the board approved a special assessment of \$62,000 to cover these projects. Notices of payment schedules will be coming out in a couple of weeks. The Balance Sheet was explained by Mr. Lambert. The total in the bank as of September 30 was \$5,408. The Accounts Receivable is \$1,394 which is down from last year. There have not been any issues collecting fees this year.

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The Cash Flow Projection shows that the starting cash for October is \$5,408. The Projected amount of cash on hand ending in December is \$2,573

Proposed 2016 Budget

The Proposed 2016 Budget was next on the agenda. Mr. Lambert noted that the budget for 2016 is roughly the same as for 2015. The variance in the Accounting and Legal fees is due to the accounting review that was done this year. There is a copy of the review of the available in the office. There is no increase in fees proposed this year. The contract services line was re-evaluated this year, and proportions were adjusted.

Reserve Account

The requirement to fund a reserve account was waived by a vote of 22 to 4.

Ed Duskin made a motion to except the proposed budget as presented. The motion was seconded, roll was called and the motion was passed by unanimous vote.

Other Business

John continued his report with discussion of maintenance that is coming up. The end of 2016-beginning of 2017 is when the re-painting of the building is taking place. The windows and flashing on the North and South sides of the building need to be replaced. John noted that when the painting is done is when the windows need to be replaced. Another project that the board would like input on is the common walkways. John noted that the E building has decided to tile their walkways. Jeff explained that there is no way to get a warranty on re-painting the current walkway surface unless the contractor goes down to the original concrete which is extremely expensive. Jeff estimates the cost of repairs would run approximately \$22,000. The current method that has been used of simply pressure washing, re-painting, and re-sealing is approximately \$6,000 every time it has to be done. Jeff suggested that the owners visit the E building to see the tile that has been installed. John noted that this needs to be addressed soon. Another project that needs to be addressed is the windows along the common walkways. Most of these windows are sealed shut. The board is taking a look at this issue during 2016. According to John's estimate, the cost for all of these things will run approximately \$210,000. This estimate includes re-painting the building, tiling, window replacement, etc. Marion Fesmire asked that when final estimates are given, could it be determined what the cost would be to include personal balconies. This was approved. John noted that the new internet is working well for most units. Linda Willis is having issues, however. Jeff will call the company, and have them correct the issue in her unit. Colonel Duskin asked about the sliding glass door replacements. Jeff had information from the company that was on property earlier in the day. He noted that the estimate for a 2 bedroom unit was \$4,000 per opening. The doors meet all of the required codes.

Marion Fesmire asked if Jeff has had any other bids for insurance for the Phase III building. Jeff noted that every year bids are solicited, and the most reputable company with the best rates wins the bid.

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Adjournment

There was no further business and the meeting was adjourned by proper motion and vote at 1:55 p.m. local time.

Respectfully submitted,

Jeff Mynard, Assistant Secretary