

**Dunes of Panama Phase III
Board of Directors Meeting
August 20, 2016 12:45 P.M. Local Time**

“E” Lounge

Minutes

Call to Order, Proof of Call, Quorum

John Horton called the meeting to order at 12:45 p.m. central time. Jeff Mynard provided proof of call and it was determined there was a quorum. Directors present John Horton, William Lambert, Ed Duskin, Linda Willis, and Dr. Warren Banach. Marion Fesmire is out of the country and unable to attend. DOPMA employees present were Jeff Mynard, Joyce Hall, and Bethany Stokes. Tonya Clay attended via telephone.

Approval of Meeting Minutes April 23, 2016

Jeff asked members to review the minutes from the previous meeting. With no questions, Dr. Banach made a motion for the minutes to be approved as presented. The motion was seconded by Col. Duskin. Roll was called, and the motion passed unanimously.

Financial Report-Treasurer

Mr. Lambert reviewed and discussed the following financial reports.

- Profit & Loss Statement 2016
- Balance Sheet as of July 31, 2016
- Cash Flow Projection 8/1/16-12/31/16
- Special Assessment

Mr. Lambert began with the Profit & Loss Statement. The projection indicates a potential deficit of \$15,847 by the end of the year mainly due to the tile renovation. The revenue for the project was actually in the assessment reflected in last year's budget. The line items where we have some savings are in Repairs/Maintenance, Utilities-Water/Sewer, Accounting/Legal, and the Internet Service.

With no questions, Mr. Lambert reviews the Balance Sheet. There is currently \$11,690 in the bank. Accounts payable is at \$5,621. There is \$11,630 showing in Unearned Maintenance Fees.

Mr. Lambert continues the financial report with the Cash Flow Projection Sheet. Starting cash as of August 1, 2016 is \$11,018. We are projecting to end the year with approximately \$4,165.

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With no questions, Mr. Lambert reviews the Special Assessment Sheet. The total cost of the tile and other project exceeded the assessment income by \$1,716 This was included in the regular operating expenses.

This concluded the financial report. A motion was made by Col. Duskin to accept the financial report as presented. The motion was seconded by Dr. Banach, and the motion passed unanimously.

Proposed 2017 Budget

Mr. Lambert presented the Proposed Budget for 2017. We are projecting the same revenue in 2017 of \$199,750. Some expenditure line items have been adjusted to reflect trends we've noticed over the past fiscal year. We are projecting a net income next year of approximately \$3,200.

With no questions, Col. Duskin made a motion to accept the proposed 2017 budget as presented. The motion was seconded by Dr. Banach, and it passed unanimously.

Old Business

There was no new business to discuss.

New Business

New business items that were discussed were the window replacement and building painting projects. The Pendleton & Bowman report revealed just how much repair needs to be done to the building and windows. The windows and flashing system have to be replaced.

Both the north and the south elevations are included in the bids. The windows on the south side of the office do not have to be replaced they are not leaking and are considered "store front". Not replacing them would save approximately \$20,000. Jeff was concerned with the Valcourt bid because they subcontracted out to the Glass Center for the window replacement. Jeff suggests that there be one contractor should there be any issues in any form with the window installation including sealants, water-proofing, etc. Windows on the walkways are not included in the bids. The contractor expressed to Jeff that another contractor could replace those windows at a lower price.

The cost for window replacement and re-painting is approximately \$300,000. Discussion was held about how to proceed with the assessment. Options were to do it all at once or split it into two projects spread over a couple of years. Jeff will finalize the suggested schedule for assessment payments. Motion was made to proceed with the project in one year by special assessment by Col. Duskin. The motion was seconded by Mr. Lambert, and it passed unanimously.

John Horton notes that there is going to be a special assessment from Facilities as well to resurface the pools, install two fire pits, build a new walkway from A building to the pool deck, and there are some decking repairs to still be made around the clubhouse. The fee per unit for

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this assessment will be approximately \$370. The owners' meeting in October will have a western theme with BBQ on the menu.

Adjournment

There was no further business discussed; Dr. Banach made a motion to adjourn, seconded by Col. Duskin; the meeting adjourned at 1:15 p.m. local time.

Respectfully submitted,

Jeff Mynard, Assistant Secretary