

**Dunes of Panama Phase IV
Board of Directors Meeting
August 20, 2016 at 11:30 A.M. Local Time**

“E” Lounge

Minutes

Call to Order, Proof of Call, Quorum

Dr. Warren Banach called the meeting to order at 11:30 A.M. Central Time. Jeff Mynard provided proof of call and it was determined there was a quorum. Directors present were Dr. Warren Banach, Joe Bowers, Stephen Mixson, and Wes Ezzell. Present via telephone were Whit Duskin, Todd Shaw, and Johnette Wahlquist. DOPMA employees present were Jeff Mynard, Joyce Hall, and Bethany Stokes. Tonya Clay was present via telephone.

Approval of Minutes- April 23, 2016 Meeting

Dr. Banach asked for minutes to be reviewed for any corrections or additions. Stephen Mixson made a motion to approve previous meeting minutes. Whit Duskin seconded the motion. Vote was taken and passed unanimously.

Financial Report

Jeff Mynard reviewed and discussed the following reports:

- Income and Expense Report 1/1/16-7/31/16
- Balance Sheet as of 7/31/16
- Monthly Operations Cash Flow Projection 08/01/16-12/31/16
- Proposed 2017 Budget

Jeff Mynard began the financial report with the Income and Expense Report. Total income for the time period 1/1/16-7/31/16 was \$204,580. Total expenses for this same time period were \$186, 239. The projected expense amount by year's end is \$334,108. The budget allowed for a total of \$345,850 in expenses. The variance puts us at \$11,911 under budget for the year. Cable television reflects an increased rate in 2016. Another variance is in the Elevator Maintenance line item. Insurance has gone down. We've started doing some bulk buying in supplies which are under budget.

With no further questions regarding the income and expense report, Jeff continues the financial report with the Balance Sheet as of July 31, 2016 show cash in bank of \$27,509 and accounts receivable fees of \$4326. Under liabilities accounts payable were \$4,865, Unearned maintenance fees of \$2,489, and the FEMA Loan balance of \$53,888. There was a correction made in the unearned maintenance fees after the audit was completed last year. Approximately \$2300 of the Accounts Receivable belongs to one owner. There has been a lien issued by the attorney.

Jeff continued the financial report with the Monthly Operations Cash Flow Projection Sheet. Starting cash as of August 1, 2016 was \$27,509. The sheet shows the operating expenses project-

IV Meeting Minutes
August 20, 2016
Page II

ed out through the end of the year. If all goes as planned, Phase IV should end the year with \$24,720 in the bank.

The next item discussed in the financial report was the 2016 Income and Expense Budget and the Proposed 2017 Budget. The projected income as of 12/31/2016 is \$349,679. The Proposed Budget for 2107 has a total income line item of \$349,300. The proposed budget does not require a fee increase.

Motion was made by Wes Ezzell to accept the Financial Report and the Proposed 2017 Budget as presented. Motion was seconded by Stephen Mixon and the motion passed unanimously.

Old Business

Old business that was discussed was in regards to the policy of smoking on private balconies. Jeff noted that the owner of E704 conducted a survey of owners to get their opinion on this policy. There were 22 responses that indicated that these owners would like to prohibit smoking on the private balconies. This would be difficult to enforce. Decision was made to leave the policy as is with no changes.

New Business:

Jeff updated the board on the roof replacement. The contractor notified Jeff a couple of weeks ago that the material supplier will not warranty the adhesion because the material will not adhere to the existing coating. Jeff has had 2-3 roofers look at the roof. The foam insulation is old and deteriorating and has water in it. Jeff suggested that the roof be removed down to the structural decks and replace with more up-to-date materials. The cost would be approximately \$12/sq.ft. Jeff has 3 companies re-bidding for this project. There would be a 30 year warranty with this option. The plan now would be to start the project after Labor Day, and should be finished within 4-5 weeks. Everyone was in agreement with pursuing this option.

Jeff updated the board on a proposal from Todd Shaw about tiling the lobby as well as the walkways. After a discussion over whether to continue with the replacement of the lobby tile and/or elevator tile, it was decided to hold off on the re-tiling the lobby until a later date. The existing tile in front of the elevators will be removed. The total for the walkways will be approximately \$43,000.

Jeff provided a summary of the bids to re-paint the building. After discussion, it was decided to put this project off until 2017.

Jeff will provide the new bids as soon as they are available as well as the breakdown per unit for the assessment which will be payable in four payments. The suggestion would be to have the first payment due the first of October. If the owner chooses the four payment plan, there would be interest added to cover the bank costs of using the line of credit.

The motion was made to approve the roof and tile assessment, seconded, and passed unanimously.

IV Meeting Minutes
August 20, 2016
Page III

Adjournment:

There being no additional business discussed, motion was made and seconded to adjourn. The motion passed unanimously. The next meeting will be Annual Owner's Meeting in October, 2016.

Respectfully Submitted,

Jeff Mynard, Assistant Secretary