

**Dunes of Panama Phase V  
Board of Directors Meeting  
April 22, 2017 10:15 A.M. Central Time**

**“E” Lounge  
Minutes**

**Call to Order, Proof of Call, Quorum**

President Jimmy Calton 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 Jimmy Calton, George Wilson, and Dr. Warren Banach. Attending via Telephone was Mike Allen and Lynn Brown. Employees attending were Jeff Mynard, Joyce Hall, and Bethany Stokes. Tonya Clay attended via telephone.

Other owners present were Mr. and Mrs. Kutch; owner present via telephone was Mike Lapio.

**Approval of Meeting Minutes January 14, 2017**

Jimmy Calton asked for all members to review January 14, 2017, minutes for corrections or additions. A motion was made by Dr. Banach to approve minutes as written, seconded by George Wilson. The motion passed by unanimous vote.

**Financial Report-Treasurer**

George Wilson reviewed and discussed the following financial reports.

Income and Expense report from 1/1/2017-3/31/2017  
Renovation Expense 10/1/2016-3/31/2017  
Cash Flow Projection for 4/1/17 thru 12/31/17

George Wilson started the financial report with the Income and Expense report. George reported that there had been some discussion at the last meeting about the bank charges incurred for the processing of credit cards for the special assessment payments. We decided at that time not to add those fees related to credit cards to the individual owners accounts rather to accept it as an operating expense. For the special assessment processing that charge was \$2600.

Bad Debt we went ahead and wrote off \$5,293 from the E301 foreclosure. Dr.Banach asked why only \$5,293 and Jeff explained that you can only go back one year from the date that they take the title on regular monthly HOA fees. The special assessment is excluded by statute and we can recoup one year of regular fees. Included in the Elevator Maintenance expense is the new operator that was discussed at the last meeting.

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In utility-water; the meter is still broken so the city is just charging us the minimum. Jimmy Calton asked if they would be able to go back and charge us for any overages during the time the meter is broken. Jeff explained that he has never seen them go back and try to back charge; they will just pick it back up once the meter is fixed.

There was a discussion on the building renovations and we will make the final payment in June. We are in pretty good shape on collecting the money, we do have a few that are behind but Tonya and Bethany have talked to them and they have made some kind of payment arrangements. Jeff tells the board that at the end of the month we go over these and call whoever is late and talk to them. Jimmy Calton asked, from an accounting standpoint, the expenses on the renovation project are \$452,424 and the Income is \$449,942 which is a negative variance of about \$2,500. Obviously, we are paying that so what item will that be transferred to under the budget. Jeff explains that it will stay in the renovation account as part of the project but it gets paid out of operations cash which is the only cash account we have. Jimmy asks do you not have to take that out of contingency or building renovation because somewhere that \$4,500 has got to fit in the overall budget because all the money in operating cash is allocated to a budget so it has to fit in on some line item. Jeff states that on a regular accounting situation this account would be on the Income and Expense report and would show the project over budget. At the end of the year, fortunately, we are under in other line items and the contingency and we always start out the year with some cash in the bank.

George Wilson continues with the Cash Flow Projection 4/1/17-12/31/17. As of April 1, 2017, there is \$68,483 cash in the bank. George explains that we don't normally have that much cash at the end of a month but with the renovation project assessments coming in the cash balance is higher. Jeff explains that we may have to take some money off the line of credit in June to pay the insurance but we are able to pay it off by year-end. With no further questions, the board agreed unanimously to accept the financial report as presented.

Mike Allen introduced Mike Lapio to the board and makes a recommendation to appoint him to the board to fill one of the vacant director's seats. Mike Allen tells the board that he has talked to Mike several times about the board and he has graciously accepted and would like to join us with everyone's approval. George Wilson also introduces another owner; Jim West and makes a recommendation to appoint him to fill another vacant director's seat with the board's approval. A motion is made by Dr. Warren Banach to appoint Mike Lapio and Jim West to the board. Mike Allen seconded the motion and the motion was passed unanimously.

### **Old Business**

Jeff gives the update on the renovation project stating they are essentially through with the renovation except for punch list items. Everything went well except the windows that were

delivered about 30 days late. Once we got the existing windows removed we discovered that the exterior walls that the windows fit in was not poured concrete it was just hollow block so they had to install a piece of plate steel over the window seal for the windows to meet code. Also, the manufacturer was on site for the process to approve the way they were installed for the **Phase V**

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warranties. Jimmy Calton told the board that the new windows are going to stay white and asked if it bothered anyone that the other windows were the color of the building and the board did not have a problem with that.

Jeff told the board that we did not do any railing painting and we will get a credit for the amount that was in the contract for that item. In evaluating what railings need to be painted it was determined the end units should be the priority. Twenty four out of the thirty eight end units need painting. The contract was \$15 per foot which would be about \$1,300- \$1,400 per three bedroom unit. Jeff's suggestion would be instead of keeping those contractors here at those prices that we contract the railing painting out with someone local. We can try to accomplish getting half of them done by this year-end and the others in the first half of 2018 and absorb that cost through operations and earmark money in the budget next year to finish.

Jimmy Calton proposed that the board get some bids from local contractors like Lori and let them gradually go through the building and try to get it as economical as possible and handle it through building maintenance instead of hitting our owners with another special assessment. Mike Allen states that early in the year we have already spent our contingency on the elevators so we have no money in the budget and we are talking about doing this with operating capital and his concern is that at the end of the year we are going to go back to the owners and tell them we are considerably over budget and ask them for money, we do not have the funds in this year's budget to do this project. Lynn Brown states that her concern is that Lori hires people and she does good work but there are only so much she can do, it all sounds great in theory but she is stretched and pushed to the max. Jimmy Calton suggest that if we can't get it done that way then would it be possible for Richard to hire someone part time in the maintenance department to work about 20-25 hours a week to get the job done and let Richard supervise him under the building and maintenance department. Lynn states she would like Jeff to talk to Richard and get his input because Richard knows what maintenance has to get done every day and every week. Jeff states he will talk to Richard and see what he thinks but as far as money, if you look at R&M building we have \$22,000 in that account and honestly, we pro-rate these numbers out evenly and that is where the money would come from to do this. Jimmy Calton also suggest that maybe this would be something that we want to look into as being a yearly maintenance item instead of putting it off every 10 years, try to do so many rails per year. The board agreed that this is a good idea and maybe we can put it into play starting next year with Richards guidance.

### **New Business**

Jimmy tells the board that they need to do the election of officers because since the last meeting Don Jones who is the vice president has sold his unit and is no longer on the board and we need to replace the vice president position. George Wilson makes a motion for Dr. Warren Banach to be appointed to that position. Lynn Brown seconded the motion and the board unanimously agrees.

Lynn Brown states that she had talked to Jimmy and Jeff previously about the contractors working times but she was looking in the concierges book in each unit and it says shuffleboard opens at 8:00 am and tennis courts and the pools opens at 8:30 am but everything goes to 10 pm, she is wondering why we can't have the contractors time 9:00 till 9:00. Jeff explains that **Phase V**

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depends on what they are doing, if they are in there painting and not making noise then we don't have a problem with that but if you have someone in there with a jackhammer at 9 and 10 o'clock at night you know the noise travels through the whole building and we get a lot of unhappy people in the office.

George Wilson acknowledges that Hidden Dunes is putting up a fence where the dog walk is and he suggest opening up the area behind the E building. Jimmy Calton explains that 80% of the reason for the fence being put is there are owners in the E building that just refuse to put their dog on a leash and he has tried to talk to them and they just aren't going to do it. Hidden Dunes also has an issue with some owners who have big dogs and just will not pick up the dog mess after their dog and that is why the fence is going up. The board had some discussion about the liability for the Dunes of having a dog on property that is not on a leash and the board agrees that the dog is very friendly but it can be intimidating when a big dog comes rushing up to you and you don't know him or he could provoke/be provoked by another dog. The board decided to direct Jeff to send a letter to the owner explaining he is in violation of a rule that states the dog must be on a leash and controlled at all times and hopefully, this will solve this issue.

### **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