

**Dunes of Panama Facilities Corporation
Board of Directors Meeting
August 20, 2016 9:00 A.M. Local Time**

“E” Lounge

Minutes

Call to Order, Proof of Call, Quorum

Dr. Robert Furlough called the meeting to order at 9:00 a.m. central time. Jeff Mynard, Assistant Secretary provided proof of call. It was determined there was a quorum. Board members present were Warren Banach, Jimmy Calton, Linda Willis, Ralph Stafford, Joe Bowers, and Don Jones. Mike Allen attended via telephone. Due to previous obligations, Marion Fesmire, was 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

Dr. Furlough asked the board members to review minutes for any corrections or additions. Motion was made to accept the minutes as presented. The motion was seconded and approved unanimously.

Financial Report

John Horton presented the Financial Report.

- Income and Expense report for 1/1/16-12/31/16
- Balance Sheet as of July 31, 2016
- Cash Flow Projection for 8/1/16-12/31/16
- Proposed Budget for 2017

John presented the income and expense report. We are a little underspent in Accounting and Legal. We are projecting that at the end of the year, our Bank Charges will be close to \$4,000. We've added a line item for Cable in the Clubhouse. Clubhouse renovations are complete. It is showing in the first three months of this year because renovation wasn't finished until after we rolled into 2016. Fortunately, there's been nothing out of the ordinary so far this year.

John proceeded with the Balance Sheet. In Accounts Receivable, the total represents some owners that have not paid. Two of these units are in foreclosure. We would like to see the Accounts Payable come down by the end of the year.

The Cash Flow Projection looks good. October is normally tight. If we do not have any major expenses come up, we will end this year with approximately \$13,000 in the bank.

Proposed budget for 2017 was presented next. We will be up a little up in Accounting and Legal because of the units that are in foreclosure. We adjusted our Bank Charges as well. We reduced our contingency

Facilities Corporation Directors Meeting Minutes

August 20, 2016

Page II

down to \$10,000. There is some concern about how much money is showing as a profit because of the taxes associated with showing a profit. After a discussion of possible solutions to this problem, Jeff will get with John Horton in the middle of December, 2016 to look at the figures and make decisions.

With no further questions, a motion was made and seconded to accept the Financial Report as presented. The motion passed unanimously.

Old Business

Dr. Furlough wanted to discuss the possibility of replacing some of the umbrellas and chairs around the pools. Jeff noted that every year we replace approximately a dozen.

Next topic for discussion was the installation of fire pits. Jeff presented a picture of a suggested fire pit that costs approximately \$1800 each. John notes that there is currently \$7500 already in the budget for 2016. It was suggested to put one on the E pool deck and the C pool deck. The fire pits are portable and can be moved. They are fired by propane tanks that are encased within the pit itself. After discussion about who would handle turning the pits on and off, it was decided to see if timers could be put on the pits. There were also questions regarding the expense of the propane gas tank refills. Motion was made and seconded to purchase two fire pits. The motion passed unanimously. Suggestions were made about decorative grates being purchased for safety, as well as, signs stating no smoking area and no roasting marshmallows, etc.

Jeff has researched the alternatives for reducing noise in the clubhouse. He suggests fabric roller shades that would reduce the heat from the south doors and noise absorption. The cost of this would be around \$3,000. A motion was made install the shades and seconded, and passed unanimously.

New rules were established for using the clubhouse. No problems have been reported.

New Business

There needs to be a walkway constructed from the A building to the C pool deck. The insurance company has said that the current walkway is a trip hazard. "A" building owners will contribute to the project.

A brief discussion was held regarding units in foreclosure or behind in payments. E301 is in foreclosure. Legal action has also been taken on E901, E1205, and A206.

Discussion was held on different catering companies to use for the annual owner's party, October 15. It was decided to have a Western theme with barbecue. Bethany will get bids from Shane's, Salty Sue's, Outlaws, Dickie's, and Shane's. Motion was made, seconded, and approved unanimously.

Facilities Corporation Directors Meeting Minutes
August 20, 2016
Page III

The next topic was the possibility of moving to salt water pools. Jeff notes that this would be an expense of about \$60,000. The company that was consulted does not recommend this because of the capacity of people in the pools.

Re-plastering of the pools was discussed next. To complete all three pools will be approximately \$100,000. There is also more decking by the clubhouse that needs to be installed. Discussion was held regarding the options of increasing fees or charging a special assessment. This assessment would also be used for the A building walkway. Decision was made to charge an assessment of \$375 per owner. This would be collected into two payments-one on October 1, 2016 and one on November 1. Motion was made, seconded, and passed unanimously.

Adjournment

There was no further business, and the meeting was adjourned. Motion was made to adjourn, seconded, and passed unanimously.

Respectfully Submitted,

Jeff Mynard, Assistant Secretary