

Cabana Club Condominium Association
 Annual Meeting - October 17, 2009
 Shoreline Historical Museum
 OFFICIAL MINUTES

Call to Order

At 1:00 p.m. President, Wayne Scott called the meeting to order and welcomed all in attendance.

Board Members Present:

| | | | |
|------------|----------------|--------------|----------------|
| Dee Barton | Nancy Birdwell | Robin Barker | Bob Dooley |
| Jim Foti | Linda Ramos | Wayne Scott | Karen Williams |

Registration and Quorum

It was requested that everyone in attendance sign in and it was announced that we had met a quorum with either 20% of the owners present or by proxy received.

Review and Approval of 2008 Annual Meeting Minutes

Don Smith motioned for approval of the 2008 Annual Meeting Minutes as presented. Doan Blair seconded the motion. A vote was taken and motion was approved. It was noted that in the packets that were mailed to the owners the budget was incorrectly dated 2009 and should have been 2010.

Doan Blair made a motion to correct the date from 2009 to 2010 on the budget information presented. Christopher Smith seconded the motion. A vote was taken and unanimously passed.

Manager's Report

Manager Gary Bayless gave an overview of repairs done and improvements made during the last year. Gary also informed the membership that our Interval International ratings have increased (80-90% positive comments) and that we have experienced more exchanges than owner occupancy during the last year.

A discussion took place regarding storing the barbeques in the storage units outside each unit during the winter and the fact that items in the cubbies need to be removed to accommodate this. Alice Blair commented on the great job that Gary is doing as our manager.

Treasurers Report – Nancy Birdwell

A treasurer's report was provided as of 10-17-09 that included the following:

Bank Balances as of 10-15-09

| | |
|-------------------|--------------------|
| Operating Account | \$4,995.35 |
| Manager Account | \$375.00 |
| Reserve Account | \$5,000.00 |
| Petty Cash | \$150.00 |
| US Bank CC | \$1,063.54 |
| Assessment Acct | <u>\$81,514.36</u> |
| Total | \$93,098.25 |

Accounts Receivable as of 10-15-09

| | |
|--------------------|--------------------------|
| Account Receivable | \$64,287.88 |
| Deed Write Off | <u>(\$21,956.00)</u> |
| Balance | \$42,331.88 |
| Past Due | <u>(\$20,175.15)</u> *** |
| Collectable | \$22,156.73 |

*** = 11 owners past due – includes 4 full time owner units.
 Liens, etc. will be filed for \$11,910.64.

Assessment Report

The assessment balance as of 10-15-09:

| | | |
|----------------------------|----------------------|--|
| Assessment Income | \$147,506.98 | |
| Adj. for discounts, etc. | <u>(\$10,461.36)</u> | |
| Expenses Paid | (\$55,531.26) | |
| BALANCE | | \$81,514.36 |
| Expenses to be paid | | <u>\$16,700.00</u> (Roof Bldg #1 & blinds) |
| Balance of funds available | | \$64,814.36 |

| | |
|--|---------------------------|
| Expenses Paid as of 10-15-09 (\$55,531.26) | |
| Topside Roofing | \$25,824.80 (bldgs 2 & 3) |
| Pool Repair | \$24,227.44 |
| Parking Lot | \$4,741.45 |
| Blinds | <u>\$737.57</u> |
| Total | \$55,531.26 (see above) |

| | |
|--------------------------------------|----------------------|
| Assessment receivable as of 10-15-09 | \$79,335.76 |
| Deeded write off | (21,596.59) |
| Past due | <u>(28,881.86)**</u> |
| Collectable | \$28,857.31 |

**= 13 owners past due (includes 4 full time owner units)

Nancy explained the budget and stated that Cabana Club Association has had 66 weeks deeded back as of this date. A discussion took place regarding possible interest income for Cabana. It was shared that funds have not been invested due to the fact that they are in and out and we have not had the opportunity for investment. It was asked how many members were included in the deeded write-off amount noted above. Nancy replied that amount represented 19 owners.

Nancy explained that within the 2010 budget the board is suggesting a 5% dues increase. She further explained that she revised the 2009 budget to reflect actual expenditures allowing Cabana to remain solvent.

Don Cogdill asked for clarification on what the due amounts would go to with the increase in budget.

Nancy shared the following:

| | | | |
|------------------|------------------------|----------------------|------------------|
| One bedroom | 2010 Weekly = \$226.92 | \$20.00 Cleaning Fee | Total = \$246.92 |
| One bedroom/loft | 2010 Weekly = \$334.13 | \$28.00 Cleaning Fee | Total = \$362.13 |
| Two bedroom | 2010 Weekly = \$249.48 | \$24.00 Cleaning Fee | Total = \$273.48 |
| Two bedroom/loft | 2010 Weekly = \$379.27 | \$32.00 Cleaning Fee | Total = \$411.27 |

Whole Ownership

| | |
|--------------------|------------------|
| 104, 105, 110, 204 | \$389.05 Monthly |
| 206, 210 | \$439.45 Monthly |

A discussion took place regarding the monthly fee to be assessed to full time owners and to the multiple week owners. Discussion also took place regarding building up the reserve account. Further questions were raised regarding the proposed budget.

One owner stated they were pleasantly surprised by the 5% increase, with the situation that Cabana is in. It was further asked if the deeded back units did not sell would this 5% increase hold. Nancy replied yes the only increase proposed is the 5% due increase.

Another owner asked if there was going to be a moratorium on the assessment improvements.

Nancy replied yes that until we get the necessary funds further improvements would be put on hold and only necessary things would be done to maintain the appearance and integrity of the complex which will help with the selling of units.

An owner asked on the full time owners that are in arrears can something be done to keep them from using their units. Nancy replied legally nothing can be done to keep them out of their units.

Another owner asked if legal advice had been obtained on the selling of the complex.

Wayne Scott replied that the board has been in contact with our lawyer and that we have dropped from 200 owners to 174 and that selling the complex would almost be an impossible thing to do. He also said that we are moving forward and going to make it.

Another other asked if we were renting out the deeded weeks. Wayne replied yes we were, but there hasn't really been much interest.

A further discussion took place regarding advertising the weeks for sale, posting them on website, and spreading the word and additional clarification on the proposed budget.

Wilma Fountroy made a motion to approve the 2010 budget as presented.

Mary Jean Stevens seconded the motion.

A paper vote was taken.

Further discussion took place regarding various options for selling the deeded back weeks.

Wayne informed the membership that if they had specific ideas to email a board member and the options would be reviewed by the board.

Wayne Scott at this time stated that Nancy Birdwell wanted to step down from her official position as a board member, but was willing to continue assisting the board as a consultant. He acknowledged Nancy for her many years of work as a board member and thanked her for your service. He presented her flowers and the ownership joined in showing their appreciation.

Election of 2009 Board Members

A discussion took place regarding the need of 1 new board member. Wayne Scott commented that Janet Schreiber has volunteered to serve as a board member. Daniel Stusser seconded the motion. Doan Blair made a motion to close the nominations and Gary Box seconded it.

Don Cogdill questioned the nomination of a full time owner and asked it that was a conflict of interest.

A discussion took place.

A vote was held with the motion passing.

Vote Tally

It was announced that the 2010 budget was approved with a 31% vote in favor and a 22% negative vote. Keith Birdwell reported that there were 48 yes votes (including the proxy votes) and 8 no votes.

Adjournment

President Wayne Scott adjourned the meeting at 2:35 p.m.