

Cabana Club Condominium Association  
Annual Meeting - October 18, 2008  
Shoreline Historical Museum  
OFFICIAL MINUTES

**Call to Order**

At 1:07 p.m. Vice President, Alix Beck called the meeting to order and welcomed all in attendance.

Board Members Present:

Alix Beck	Dee Barton	Nancy Birdwell
Robin Barker	Jim Foti	Karen Williams

**Registration and Quorum**

It was requested that everyone in attendance sign in and take the opportunity to look through pictures that Manager Gary Bayless provided showing before and after accomplishments at Cabana.

**Review and Approval of 2007 Annual Meeting Minutes**

Denise Brandon motioned to approve the 2007 Annual Meeting Minutes as presented. Don Blair seconded the motion. A vote was taken and motion was approved.

**Board Report**

Alix Beck gave a review of the complex upgrades.

Don Cogdale commented that he was disappointed that the sauna was removed.

It was shared that Nancy Birdwell would address the sauna issue later in the meeting.

**Treasurers Report – Nancy Birdwell & Karen Williams**

A treasurer's report was provided as of 10-18-08 that included the following:

**Bank Balances as of 10-18-08**

Operating Account	\$15,583.77
Manager Account	\$1,000.00
Reserve Account	\$5,450.00
Petty Cash	<u>\$150.00</u>
Total	\$22,183.77

**Accounts Receivable as of 10-18-08**

Account Receivable	\$25,980.05
Bad Debt	<u>(\$6,536.00)</u>
Collectable	\$19,444.05

**Assessment Report**

The assessment balance as of 8-31-07 as reported at last meeting as follows:

Balance in account 8-31-07	\$25,893.74
Paid for repairs 2007	(\$2,352.77)
Paid for repairs 2008	<u>(\$23,540.97)</u>
Total	0

**Treasurers Report (Continued)**

2008 Clubhouse Expenses	\$38,152.94
Paid from Assessment Acct	<u>(\$23,504.97)</u>
Overage pd from Operating Acct	\$14,611.97

A motion was made by Denise Brandon to approve the 2008 Treasurer's report and seconded by Gary Box. A vote was taken and approved.

### **Manager's Report**

Manager Gary Bayless thanked the staff for the great job they have done in maintaining the Cabana Condos and encouraged the membership to look at the pictures showing before and after accomplishments. Gary informed the membership that safety door latches were installed on all units, several barbeques have been replaced, and the sign and parking lot completed. He stated that we are currently working on replacing the blinds in the bedrooms, thermostats, and faucets. Gary also shared that we have started to receive more positive comment cards from both members and Interval International guests.

Loretta Bolduan stated that she has a concern about getting in and out of the hot tub and wondered if a safety bar should be installed.

Gary replied that he is working with the pool man to see if it is possible to do so without it becoming a liability.

### **2008 Basic Budget Presentation & Adoption**

Nancy Birdwell presented a historical accounting of the due increases of Cabana which included the following:

2008 - 10% Increase  
2007 - 2.5% Increase – Cleaning \$5.00/week  
2006 - 10% Increase  
2005 - No Increase - \$250,000 assessment  
2004 - 10% Increase  
2003 - 5% Increase  
1998 - 5% Increase  
1994 - Assessment for painting and decks  
1990 - 7% Increase  
1989 - Deck Assessment

Nancy shared that after hiring Gary Bayless it was discovered that Cabana had experienced a lack of maintenance work over the years that needed to be corrected. She shared that the board has done work to track the actual expenditures over the last few years and have set up the 2009 budget to cover estimated expenditures. Nothing has been built into the proposed budget to cover major repairs and we are looking at the roofs needing to be replaced. She explained that during the repairs to the clubhouse it was discovered that the sauna room was completely rotted out and it would have cost close to \$20,000 to make these improvements. Due to lack of funds the board decided it best to convert the sauna room to a laundry room and relocate the washer and dryer from the clubhouse kitchen.

Nancy explained that in reviewing the 2006 budget against actual expenditures we were fine. However, in 2007 we ran in the negative by \$16,814 and to date we are \$11,960 in the negative for 2008. Nancy stated that our due collection is not sufficient to cover our actual expenditures, thus the reason the board is proposing an increase in dues. Nancy shared the proposed budget for 2009 and a recap of the dues necessary to meet that budget.

A discussion took place regarding the due increase.

Bernie Griffin asked if he could make a motion to accept the budget.

Nancy Birdwell replied that a paper vote was necessary.

### **Special Assessment Presentation**

Nancy Birdwell shared with the members the results from the recent survey the board conducted to find out if the members felt improvements were needed at Cabana and which improvements were the most important.

A discussion took place regarding the survey.

Don Cogdale asked if we have a quorum today for voting purposes.

Nancy replied that we did have a quorum according to the bylaws and reminded the members that the survey asked members to prioritize on a scale of 1-5 what they thought needed to be improved. From that information the board worked on obtaining quotes and talked with our manager to determine what basic things needed to be done. Nancy reviewed the targeted items that the assessment would address:

**Common Area:**

New roofs	\$35,000
Resurface parking lot	\$3,000
Concrete repair	\$4,000
Stair supports	\$5,000
Pool repair	\$20,000
Repaint	\$12,000
Reserve for overruns	\$21,000
Total Common Area:	\$100,000

**Timeshare Area:**

Carpeting	\$45,000
Blinds	\$3,000
Kitchens	\$24,850
Bathrooms	\$30,160
Reserve for overruns	\$21,990
Total Timeshare Area:	\$125,000

Nancy also shared that the state requires (via Senate Bill 6215) Condominium Associations to have an adequate reserve account. Because of this requirement we have included \$50,000 to our capital improvements and furniture reserve accounts in the 2009 proposed budget. Nancy shared that our current reserve account is down to \$5000.

A discussion took place regarding the hardship the assessment and due increase would be on members, but that to keep the value of the association continual improvements need to be made.

Nancy explained that money from the assessment is not immediately collected because a payment plan will be offered as in the past.

Discussion took place regarding the possibility of reducing the assessment to \$100,000 and limiting the improvements that would be completed. To reduce the amount of the assessment we would have to come back at a later time for another vote because this wasn't advertised to our membership.

A discussion took place regarding the roofing project and proposed assessment.

Terri Hammer asked if the board felt this assessment would be sufficient to last.

Nancy Birdwell said yes with the due increase that builds up the reserve account we hope this continues to be used for this purpose. The common area reserve and timeshare reserve will hopefully be enough to last four to five years without an assessment.

Another member asked if the amount for roofing is sufficient to cover the actual costs or will we run into the same problem we did with the clubhouse repairs.

Nancy stated that is why we've built in a reserve for cost overruns.

Mrs. Sahnaw asked if the reserve overrun is the same as the reserve in the budget.

Nancy replied no they are two separate items.

A discussion took place regarding the carpets in the units.

Karen Williams stated that we need to have the assessment to get all the things done that need to be done, and that because the collection would be over time the projects would be completed over time.

Nancy shared that the collection of funds was necessary before the improvements can take place.

A discussion took place on extending the assessment over time.

Terri Hammer asked do we need to say yes or no over what is being presented.

Nancy replied yes.

A vote was taken.

## **New Business**

- **Joining RCI**

Nancy Birdwell shared with the membership that the board was approached by a representative from RCI to join their vacation club. The process would include a review of our complex by RCI and they would approve or disapprove. If approved we would have to pay an estimated \$1400. A discussion took place with Loretta Bolduan making a motion to not join RCI. The motion was seconded by Bernie Griffin and passed.

- **Smoking – 25 feet from building state rule**

Nancy Birdwell shared with the membership that the board is concerned about possible evidence of smoking taking place in some of the units. A discussion took place regarding the 25 foot ruling and what can be done regarding this issue.

Keith Birdwell made a motion to assess a fine of \$100 for smoking in the unit and on a repeat offense to kick the offender out of the unit. Alix Beck seconded the motion.

Further discussion took place regarding the enforcement of such a ruling.

The motion was read again – assess a fine of \$100 for smoking in the unit and on a repeat offense kick the party out of the unit. The fine would be assessed without a warning letter being issued.

A vote was taken, with the majority ruling in favor of this motion. There were 3 no votes.

- **Election of 2009 Board Members**

A discussion took place regarding the need of 1 or 2 new board members. Board members Robin Barker, Karen Williams and Alix Beck will remain in office. There are 3 to 4 meetings per year with the possibility of additional subcommittee meetings. Board members receive a mileage reimbursement for attending meetings, along with a \$50 stipend and some business is done via email.

Linda Ramos and Bob Dooley both volunteered to become board members. Denise Brandon stated she would serve as an alternate.

Keith Birdwell made a motion to approve the appointment of Linda Ramos and Bob Dooley as board members. Karen Williams seconded the motion, which was approved.

- **Vote Tally**

It was announced that a lot of people did not exercise their right to vote. The bylaws state that the board can vote for people who failed to vote. With that in mind both the 2009 budget and the \$250,000 assessment passed.

A member asked how many individuals did not vote.

The reply was that almost 60% of the membership failed to vote.

Nancy Birdwell stated that the board will review the bylaws regarding voting to make sure the passage of these two items is correct.

Bill Sahnaw stated that there were no full time owners present.

Bob Cogdale suggested that next year when the annual meeting is advertised that it be stated that for those that fail to vote the board will vote in their place.

Mrs. Sahnaw shared that her husband had previously served on the board and didn't realize the amount of time that this volunteer position took and how under appreciated the board members are.

Mrs. Scott shared that she felt without Nancy Birdwell Cabana would sink.

Vice President Alix Beck adjourned the meeting at 3:20 p.m.