

La Casa del Sol Council of Co-Owners
Board of Directors Meeting
November 9, 2020
18757 S. Highway 377, Cresson, TX

Call to Order:

President Jim Vannatta called the meeting to order at 1:00 p.m. Other Board members attending included Vice President Steve Gandy, Treasurer Dennis York, Secretary Candy Lamel (attending by phone) and Directors Bud Lowack and Jerry Cigainero. Gaylen Cox was not in attendance and had assigned her proxy to Dennis York to vote in her stead.

Approval of Minutes from the Meeting of October 6, 2020:

After review of minutes submitted by Secretary Candy Lamel, Dennis York noticed a type-o which Candy agreed to correct. Then a motion to approve with that correction was made by Dennis, seconded by Steve Gandy, and all approved those minutes for filing and publication.

Financial Report:

Treasurer Dennis York reported the financials through October and noted that he cashed in \$100 thousand in CDs last month to cover cash needs.

Of \$632 thousand in total Assets on the Balance Sheet, \$356 thousand are fixed (depreciated property). We have approximately \$76 thousand in available Cash Reserves (Current Assets minus deeds needing foreclosure and our set-aside of \$150 thousand as Restricted Cash Reserves) as of the end of October.

Total Income through October was approximately \$439 thousand and total spending was \$511 thousand, resulting in a \$71 thousand Operating Loss on a year-to-date basis, approximately \$76 thousand worse than Budgeted. Most notable variances were due to continued delay of insurance reimbursements plus unexpected but necessary drywall, fence and roof repair expenses, but those unfavorable variances have been partially offset by savings in Staff Expense, Supplies and Utilities costs. We continue working to collect the insurance reimbursements expected still from damage due to Hurricane Harvey.

Candy Lamel moved to accept the Financial Report, Bud Lowack seconded the motion, and all attending voted to approve the Financial Report for filing.

Resort Report:

Vice President Steve Gandy reported on the operations of the resort since the last meeting.

Reservations tapered off a bit the last 2 weeks in October but Christmas week will be full. The management change went more smoothly than expected and there haven't been any additional personnel changes at this point. Shelly was terminated on October 13th and Rachel Drake has taken over as our new Resort Manager. Feedback from all who have met Rachel has been very positive.

Two tropical events brought water up over the center dock resulting in the need to close off the docks and electricity was turned off until the water receded. Roof façade repairs were completed and WIFI

improvements were made with routers in each unit removed. An issue with Spectrum cable was caused by non-payment in some units related to some guests ordering movies. Steve said something must have changed, as originally no one was to have the capability of ordering premium channels or movies. The new digital boxes must not be moved between units so we can bill guests appropriately for any pay-per-view, etc. in the future.

New security cameras and lights have been installed. Carpet in unit 107 was cleaned but will probably need to be replaced. Three sleeper sofas need the sleeper deck repaired or replaced. Replacing sofas is expensive. We will try to replace just the mechanisms for \$600 - \$700 each. Vicki Vannatta had negotiated a great price in the past and bought the sofas for \$900-\$1000 originally, but now the same company wants \$2,700 each for them.

Sand was removed in the parking lot and fence posts were painted.

Up-coming: The Hot tub is to be replaced this week; deep cleaning of units and maintenance is planned; soffit repairs will be done on the back side of building A; sofa or sleeper decks will be repaired or replaced.

Other than hiring Rachel as our new manager, there have been no major resort personnel changes and no Covid-19 infections have been reported by employees or guests. Dennis York made a motion to accept the Resort Report, Jerry Cigainero seconded the motion, and the vote was unanimous to approve.

Other:

Dennis agreed to check with David Lee so he can report on the status of Insurance reimbursements by the next board meeting.

Steve raised an issue about RCI guests not showing up and we have no way currently to charge them for cancelling, and wondered if we get a credit card or deposit when they make a reservation can we charge them a no-show fee. We lose out on potentially \$250 if an owner were able to make an IP reservation for that week.

Candy Lamel reminded Jim, Steve and Dennis that she needed their input quickly for the Fall Newsletter since it should be mailed out to all owners by the end of November if possible.

Who will be at the Resort When?

Jerry Cigainero – Saturday, Nov. 14 -20

Bud Lowack – Dec. 4 for one week

Adjournment: This meeting was adjourned at 1:49 pm and the next Board Meeting was set for Wednesday, December 16 at 1:00 p.m.

Respectfully submitted by Secretary Candy Lamel

Approved for filing and distribution on December 16, 2020