LA CASA DEL SOL COUNCIL OF CO-OWNERS, INC.

Board Meeting Minutes

Tuesday, November 22, 2022, 1:00 P.M.

18757 S. Highway 377, Cresson, TX 76035

1. Call to order at 1:01 p.m. by President Jim Vannatta on Tuesday, November 22, 2022, with Board Directors Jim Vannatta, Bud Lowack, Dennis York, and Bill Gunn in attendance in Cresson. Directors in attendance by ZOOM are Donna Kelly, Jack Luna, and Derrick Richardson.
2. Approval of minutes of board meeting Tuesday, October 11, 2022, by Bill Gunn.
	1. After minimal discussion, Derrick Richardson moved to accept the minutes, with a second by Bud Lowack. The minutes were accepted unanimously.
3. Presentation of financial report & reservation office – Dennis York.
	1. York informed the board that we gained 17 new owners by the end of October, but the resort lost 23 current owners by that same date.
	2. York informed the board that YTD 2022 Cash Reserves are equal to YTD 2021 Cash Reserves.
	3. York informed the board that the resort is $23,000 lower in 2022 Total Assets than 2021 Total Assets, $50,000 of which is Total Fixed Assets.
	4. York informed the board that LCDS is $80,000 YTD Total Income below YTD Budget.
	5. York informed the board that the resort is $50,000 YTD Total Maintenance and Repair less than YTD Budget.
	6. After discussion, Derrick Richardson moved to accept the financial report, with a second by Bill Gunn. The financial report was accepted unanimously.
4. Report on management of the resort – Jack Luna.

Resort Personnel Changes

* 1. Christian brought on as office assistant, laundry, cleaning pool and grills, etc.
	2. Marisol was hired as cleaning lady to replace Jasmine
	3. Tony Flores brought on as maintenance assistant and to help out in the office and laundry to replace JR
	4. As of 11/21/22 Brittany Fox is back full-time until at least June

Repairs

* 1. Replaced sand in pool filter / replaced top cover and installed new pressure gauge
	2. New LED dock light installed that shines out into the water
	3. New underwater metal halide light installed (with a second one ready to install)
	4. New washing machine installed in office
	5. Continued painting of the entire exterior of the building, with Unit 107 exterior just finished
	6. Second pump motor on hot tub was replaced (old one was leaking) – both are now new
	7. Pipe repair / new valve / new hose installed at fish cleaning station
	8. Installed new motor in bathroom exhaust fan in Unit 210
	9. 8 new burners installed on grills at pool / 12 new burner covers
	10. Installed exterior flue stack on pool heater to prevent wind from extinguishing flame and/or causing internal damage – has not gone out in past two months (seems to be working). It was going out 2-3 times per month
	11. New mirrored closet doors installed in Unit 109
	12. New windows installed in Units 107 and 108 (24 windows total)
	13. New signs hung on handicap spaces and new red boundary lines painted indicating where vehicles must fit
	14. Installed piercing valve on Unit 106 refrigerator and added 6 ounces of R134a to hopefully add a few more years of life
	15. Replaced dishwasher in Unit 213 and repaired sofa bed with kit from Mike Morphis to properly attach bedframe to couch frame
	16. Replaced contactor in first floor a/c unit, which was not functioning properly in Unit 107.
	17. Ran new 150-foot cable to Camera 9 (old wire bad)
	18. Installed new splitter valves and hot/cold lines for office washing machines / replaced with all new gaskets and tightened packing on existing main valves
	19. Replaced capacitor on outdoor unit for Unit 211 to fix the a/c
	20. Front door locks had to be replaced on several of the units
	21. Replaced all vertical boards on gate and pool pump area
	22. All the disconnects on 26 condensers located on the roof of both buildings were replaced and the lines were repaired if they were in bad shape

Future Projects

* 1. Second underwater halide light to be installed
	2. Leak in the jet line for the pool to be excavated and repaired / concrete to be repoured to match the existing texture and paint
	3. Continued painting of the exterior of the building as well as continued crack / chipping repairs
	4. Would like to install more windows – just a reminder there may be a 3+ month wait on windows ordered, windows are approximately $600-$800 each with each unit having 6 windows (approximately $3600 to $4800 per unit)
	5. Some of the kitchens (i.e., Unit 213) should have new countertops and cabinets installed
	6. Equipment needed for servicing our own a/c units since the warranty is nearly up on all of the units:

All Units are a/c with electric heat kit would total:

Vevor refrigerant recovery machine $452.99

Vevor refrigerant recovery tank (30 lbs.) 69.99

R410a 25lb. cylinder 408.99

A/C Refrigerant Scale 91.00

Brazing rods (6) 29.99

 $961.96 (+tax)

After discussion, Dennis York moved to accept the resort report, with a second by Bill Gunn. The resort report was accepted unanimously.

1. Review of action items.
	1. Windows status.
		1. New windows installed in #107 and #108 (24 total windows)
	2. Pool repair quotes.
		1. No total estimate provided
	3. Capital Fund Proposal
		1. It was noted that the fund proposal is an excellent idea, but LCDS’s current financial position is too tenuous to enact.
	4. Jim Vannatta noted the outdoor cooking area needs to be rebuilt (no estimate on cos)
	5. Jim Vannatta noted the three grills need to be replaced at a future date ($2000 per unit)
	6. New Rules & Regulations will be posted to the LCDS website.
2. New Business?
	1. Budget for 2023.
		1. It is anticipated LCDS will have 539 paying owners in 2023
		2. Dennis York noted a $70,000 shortfall ($130/unit) on the proposed budget
		3. After considerable discussion, the board selected 5 options to resolve the crisis:
			1. Option #1 – increase Maintenance Fees
				1. Several board members expressed concern that many owners would no longer be LCDS participants
			2. Option #2 – Dip into LCDS Reserve Funds
				1. The Reserve Fund currently has approximately $150,000.
				2. We could draw the anticipated $70,000 funds for the anticipated shortfall, but that would only be a short-term solution, and not correct the real problem.
				3. Once it is gone, there is nothing left to fall back upon.
			3. Option #3 – Repeat and increase a Special Assessment Fee
				1. Many owners would resist this move.
				2. It also does not address the real problem.
			4. Option #4 – Rent more weeks
				1. This would require exploring LCDS non-profit status; tabled
				2. This would require exploring LCDS rental opportunities; tabled
			5. Option #5 – Sell LCDS
				1. Split proceeds between owners based on their one- or two-bedroom ownership
				2. Explore potential buyers; tabled
		4. Bill Gunn moved to pass back to the owners the fee for using a credit card for the payment of Maintenance Fees and IP Week reservations beginning January 1, 2023. This will save LCDS $20,000 per year. This was seconded by Bud Lowack and passed unanimously.
		5. Jim Vannatta moved to openly discuss the first four Options at the LCDS Owners Meeting, then bring into the discussion the final option of a sale. This was seconded by Dennis York and passed unanimously.
		6. Dennis York moved to:
			1. Take $25,000 from the LCDS Reserve Fund $25,000
			2. Use the credit card chargeback 20,000
			3. Increase LCDS Maintenance Fees by $50/unit 27,000

Amount raised to meet the shortfall **$72,000**

This was seconded by Jim Vannatta and passed unanimously.

1. Who’s at the resort when?
2. Set date/time for next meeting.
	1. Next Board Meeting will be January 10, 2023, @ 1:00 p.m. @ Cresson office
	2. Schedule 2023 Owners’ Meeting for February 25, 2023; site to be determined
3. Adjournment.
	1. Dennis York moved to adjourn the meeting and was seconded by Jim Vannatta. The vote was unanimous, and the meeting adjourned at 2:06 p.m.
4. Executive session of Board of Directors if required.

Respectfully submitted by Bill Gunn, LCDS Secretary