

**La Casa del Sol Council of Co-Owners
Board of Directors Meeting
October 3, 2016
18757 S. Highway 377, Cresson, TX**

Call to Order:

This Board Meeting was called to order at 1:02 p.m. by President Vicki Vannatta and all Board Members were present.

Approval of Minutes from August 22, 2016:

Unapproved Minutes had been emailed to all prior to the meeting. A change was proposed and the minutes were approved unanimously as amended (motion by Gaylen Cox, seconded by Ben Harbour). Approved minutes will be emailed by Secretary Candy Lamel to the Accounting and Resort offices for filing, and to Steve Gandy to post them to the website.

Financial Report and Reservation Office information:

Treasurer Gaylen Cox reported that the Reservations & Accounting Office is short-handed now, since Charlene Glaub has moved with her husband to England. Gaylen is hoping to get someone hired by the time the billing is done. In the meantime, she will fill in as needed. Jerry Cigainero volunteered to help out also since the billing will involve mostly stuffing of envelopes, and he lives close to the office.

Financials:

Gaylen reviewed the year-to-date performance, which continues to run favorable to plan at this point, and we hope to not have to cover an operating loss with funds from the reserves on the Balance Sheet as we had expected when the Budget was put together for 2016.

Resort Report

Vice President Steve Gandy reported that the resort had been entirely full through September, and now there should be units available for owners to book through the end of the year using our relaxed rules for IP units. He also reported that he has been meeting with roofing contractors and there have been no personnel changes. He reviewed various repairs and replacements done to address issues around the resort, and said that no other major projects are planned at this time. Bud Lowack and his son Jay had made recommendations as to what to do to improve the WIFI, which has problems when there is rain, and they plan to try to handle that while they are at the resort next week.

Steve reported that he had met with five roofers and reviewed with the Board the issues of using Hardy Board – the pitch of the overhang over the porches of units 107 and 108 require certified roofing material, and Hardy Board is not, so they would have to remain metal (or some other roofing material) if we do the rest in Hardy Board. Also discussed was the option of using a specialty paint (over repairs) on the existing metal roof, and Steve expects to receive new quotes for repair or replacement or painting by the first week in November, so we will address this issue again at the next Board Meeting.

Gaylen Cox asked about the locking of the pool gate at 11 p.m. year-round as this costs us a lot in overtime pay having a full-time employee come to do it each night. The option of using an automatic lock was discussed and Ben Harbour agreed to research timed locks for the gate.

2017 Budget:

Assistant Treasurer Dennis York presented preliminary Budget alternatives and reviewed the methodology used for projecting revenues and spending for 2017. The initial projection results in a net loss with spending exceeding revenues. Bud Lowack suggested we appeal to owners to encourage others to buy in, explaining that otherwise we will need to raise fees again or require a special assessment to pay for major repairs (like the wind damage to the roof) and appliance and furniture replacements. Vicki agreed she can include this message in the letter she sends out when the annual billing is done.

After a very involved discussion, the general consensus was to revise some assumptions in the proposed Budget so that the Revenues will cover the spending for 2017. Dennis York agreed to plan the roofing improvements as capital spending covered by the Balance Sheet reserves, and to change the Revenue assumptions, to reflect more optimistic earnings to balance the Budget, and we will review and vote on it at the next Board Meeting.

Other Business:

Fall Newsletter

Secretary Candy Lamel reported that the Fall Newsletter should be mailed out by the first of December, which gives to owners information about running for election to the Board in 2017. Input will be needed from Vicki and Steve and Gaylen for other information in the newsletter so Candy will send them a copy of last year's so they can forward updated articles for this year's issue. The printer/bulk-mailer we have used in recent years has passed away and her business is dissolved. Andy in the office had suggested we handle it in house again, as was done years ago, and Candy agreed to check on printing prices before the next meeting, noting that once the copies are made, volunteers will be needed to help assemble the newsletters for mailing.

Complaint Form

Gaylen Cox suggested that we have a standardized complaint form for owners to fill out if needed, so the Board can address any specific complaints, and possible remediation action, and Steve Gandy agreed to post it on the website.

Proposed Bylaws Change

Gaylen suggested we propose that all Annual Owners' Meetings be held in the DFW area, rather than alternating between here and the Island. Attendance at meetings at the coast is much lower than for meetings in the DFW area, and the expense of Board Members having to travel to the resort in alternating years could be expenses saved in future years. Gaylen offered to write up the proposed change so we can include it on the Ballot for the 2017 Annual Owners' Meeting (Jerry Cigainero motion/Steve Gandy seconded and all agreed to make this proposal).

Travel Expenses

In an effort to reduce Board expenses in the future, Steve was asked to consider some options presented and we will address this item at the next meeting.

Incentive Offer to Owners to find new Owners

After discussion, a motion was made by Gaylen Cox, seconded by Steve Gandy, and accepted unanimously, to offer free use of one of their IP weeks to owners who find a new owner to purchase a deeded week at the resort. Use of the referring owner's IP week must be taken within 12 months of when the new owners purchase their new deeded week, and will be subject to all normal reservation rules.

Action Items:

- Ben Harbour will research automatic locking devices for the pool gate and report back at the next meeting.
- Candy will email last year's Fall Newsletter to Vicki, Steve and Gaylen so they can see what was included in that issue and submit to Candy the information to include in this year's issue.
- Gaylen will propose the wording of the bylaw change so it can be reviewed.
- Candy will check on pricing for the printing of the newsletters.
- Gaylen and Dennis will work up the new Budget proposal for review and approval at the next Board Meeting.
- Bud will try to address potential WIFI improvements while at the resort next week.

Who's at the Resort when?

Current plans for Board Members to be at the resort are as follows:

October 8 – 14	Bud Lowack
October 21 – 28	Ben Harbour and Jerry Cigainero
November 4 – 11	Steve Gandy
December 16 – 23	Gaylen Cox

Adjournment

President Vicki Vannatta scheduled the next Board Meeting for Monday, November 14, 2016, beginning at 1:00 p.m. and this meeting was adjourned at 3:42 p.m.

Approved for filing, distribution and publication on November 14, 2016
Submitted by Secretary Candy Lamel