

LA CASA del SOL COUNCIL OF CO-OWNERS

Board of Directors Meeting

October 21, 2014

Board Meeting Agenda:

Call to Order:

President Vicki Vannatta called the meeting to order at 1:00 p.m. A quorum was present and included Jerry Cigainero, Steve Gandy, Ben Harbour, Candy Lamel, Ray Leidig, and Dennis York.

Approval of Minutes from meeting Tuesday, August 12, 2014:

Secretary Candy Lamel presented copies of the final version of minutes from the Board Meeting, which had been emailed earlier to all. A motion was made by Dennis York, seconded by Steve Gandy, to approve the minutes as presented and the minutes were accepted.

Steve Gandy moved to approve also the minutes of the Executive Session from August 12; the motion was seconded by Dennis York, and those minutes were also approved.

Candy agreed to email copies of the approved Meeting Minutes to the Weatherford Office for filing, and to Steve Gandy for posting on the LCDS website.

Presentation of the Financial Report and Reservation Office information:

Treasurer Dennis York presented the Financial Report for year-to-date performance through September, 2014. Spending is in line with what was budgeted; however Income is now more than \$81 thousand lower than planned, primarily due to about 100 fewer paying owners than had been anticipated for this year. A discussion ensued to understand the revenue shortfalls and the spending, by category. Staff expenses below plan were offset by capital expenditures and maintenance spending above plan, but all agreed that those items (primarily the remodel of unit 110 and the installation of new appliances in other units, and new fishing lights and the new grill) were all necessary and unavoidable. Ray Leidig made a motion to accept the financial report as presented; the motion was seconded by Candy Lamel and accepted by all.

Report on Management of the Resort:

Steve Gandy stated that overall things are running smoothly now at the resort. Our previous maintenance men both quit on August 13, Robert Haskins was hired as Head Maintenance Tech on August 14 and Stephen Butrum was hired on 8/29/14. Both work 5 days a week, but schedules are staggered so we have maintenance available 7 days a week. Christi was let go on 9/30/14 and will not be replaced until May of next year. We no longer have anyone come by to lock the pool gate at 11:00 p.m. Depreesha, who was hired in June to assist in the office, quit

on 10/17/14, not wanting to take on any additional responsibility of doing laundry, and we are looking for a replacement. Shelly Franklin has been promoted to Assistant Manager.

Ben Harbour raised concerns about people inviting guests to the property, taking up space on the fishing piers or in the pool area, crowding out those who are staying on property. Currently a guest/member writes down only names of others staying with them when they check in. They are supposed to inform management also of any guests who will visit during the day or evening, and get parking passes for them, but this is not always done. Steve said he will address the issue with Abram and enforce a strict guest policy going forward.

Steve reported that a lot of progress has been made in the past couple of months, such as: the parking lot has been painted, fence repaired and painted, and the floor of the outside shower replaced. The Unit 110 Remodel "punch list" has been completed, pool signage replaced, defective outdoor lights have been replaced, and the office renovation should be completed by the week end. The WI-FI band width is also being upgraded this week. The new security system has been purchased and both maintenance men have experience so they will install it. They will also become certified to handle Freon, so AC issues can be handled in-house in the future. Sprinkler system issues are being addressed so that landscaping plans can go forward before next spring. Three new sofa bed mechanisms have been ordered, Units 107 and 108 now have new AC units, 3 refrigerators and a range were all replaced in various units in September, and new fishing lights have been installed (and all are reflected in the expenses reported by Dennis York). Extensive carpet and upholstery cleaning will be scheduled in rooms as part of deep cleaning over the winter which will require blocking out rooms to allow for carpet drying time. With the new staff, more is getting done in less time than with the old staff.

Status of Social Media sites:

Vicki reported the importance of our Facebook page and Website so that we can provide information to people, especially with regard to selling more deeded weeks. To that end, Steve reported that he plans to also put attractive information/advertising in all rooms at the resort, so that owners and guests (especially RCI) will know where to go for information about buying in. It is hoped that the opening of Schlitterban will also help to attract buyers of additional weeks. All are asked to "like us" on Facebook, and share posts with our other friends, as this may be a way of attracting non-owners to check us out.

2015 Budget Review:

Treasurer Dennis York presented two proposed budgets for consideration for 2015. Spending was the same for each and, after a detailed discussion of all items, all agreed that the assumptions were reasonable and there was no need for adjustments.

Both budget proposals require increasing maintenance fees and all usage fees (IP fees and Owner Bonus fees, season upgrade fees and room upgrade fees) to cover the projected

spending. The differences in the two cases are that Budget A proposes smaller increases in the annual Maintenance Fees than Budget B, but requires more sales of deeded units to reach the same total revenue projection. After a lengthy discussion and careful consideration by all, Ray Leidig moved that we accept Budget A (with the smaller Maintenance Fee increases and greater sales volume); the motion was seconded by Steve Gandy and it carried unanimously. Steve noted that there has been no promotion for sales recently, and he is confident we can increase sales by devoting effort to promoting sales, both online and in the units themselves. Vicki stated that we need to also strongly encourage all members at the February Owners' Meeting to invite family and friends to buy in so we can meet the aggressive sales projections (to sell 39 units during the year) needed to balance the budget next year.

A summary of the changes in fees for 2015 follows:

Annual Maintenance fees will be \$625 for a 1 Bedroom Unit (versus \$600 charged in 2014) and \$750 for a 2 Bedroom Unit (versus \$700 charged in 2014).

IP fees will be \$200 for a 1 Bedroom unit and \$250 for a 2 Bedroom unit. It was agreed that this is still very economical compared to hotel fees charged in the area. Season Upgrade Fees will be \$150 and Room upgrades from a 1 BR to a 2 BR will be \$175. Owner Bonus Time is not used often, and currently we charge differently depending on the season. The change is to simplify the system and charge the same, no matter when, and the following rates were approved:

1 Bedroom – Owner will pay \$85 per night or \$425 for a week

An RCI guest will pay \$130 per night, with no discounted weekly rate

2 Bedroom – Owner will pay \$100 per night or \$500 for a week

An RCI guest will pay \$175 per night, with no discounted weekly rate

Other Business:

Newsletter – Secretary Candy Lamel reported that the Fall Newsletter should go out by the end of November so that potential candidates for the election can submit their bio information by early January. Needed are the President's Message from Vicki Vannatta and a recap of the year from Steve Gandy. Vicki asked Dennis York to have the reservations staff set up the reservation for the meeting on Saturday, February 28, 2015 at the location we have used in the past in Hurst, Texas. The deadline for input of all information to Candy was set as November 15, 2014.

Adjournment

The next Board Meeting was scheduled for Tuesday, December 16, 2014. This meeting was adjourned at 3:30 p.m. and an Executive Session followed.

Submitted by Secretary Candy Lamel
Approved for publication 11/18/2015