

**GRAND PANAMA BEACH RESORT
OWNERS' ASSOCIATION, INC.
Board of Directors Meeting
April 22, 2014 @ 10:30 am
MINUTES**

BOARD OF DIRECTORS:

Tommy Grider
Doyle Walker
Chuck Rachke
David Hole
Frank Caprio
Marc Nolen
Woody Junot

ASSOCIATION MANAGEMENT:

Clair Pease
Kristina Heming

ASSOCIATION LEGAL COUNCIL:

Not Present

CALL TO ORDER:

Kristina Heming called the meeting to order at 10:30 AM.

ROLL CALL

Kristina Heming called roll and established a quorum was present. Board members present were: Tommy Grider, David Hole, Chuck Rachke, Frank Caprio, Doyle Walker and Marc Nolen. Woody Junot was absent.

PREVIOUS MEETING MINUTES

Marc Nolen made the motion to approve the previous meeting minutes. Tommy Grider seconded. All were in favor. Motion passed.

DISCUSSION

Kristina Heming asked the Board of Directors if there were any questions concerning the financial package.

MOTION

Chuck Rachke made the motion to accept the financial statements. Marc Nolen seconded. All were in favor. Motion passed.

DISCUSSION

Clair Pease explained the exterior paint bid. The awarded company was Benise-Dowling with a bid of \$1,220,745. Currently the association has \$1,297,558.99 in reserves. Benise-Dowling was selected by the Architect, Joseph Bishop. Marc Nolen, Clair Pease and Chuck Rachke inspected their work at another property. Clair Pease explained they are going to paint a sample on the building. They are going to try and match the original color of the building.

Clair Pease explained that there will be a bond on the job. Benise-Dowling will be submitting a draw schedule and job schedule.

The association can pool the reserves and have another reserve study performed. The last one was completed in 2012, so another one is due in 2015. It will take a majority vote to pool the reserves. The association currently contributes \$226,441.92 per year or \$18,870.16 per month to reserves.

If the association followed the line item method:
Contingency Building: \$19,752.60

Exterior Paint: \$205,199.80
Contingency Common: \$126,135.74
Settlement: \$450,000
Total of \$801,088.14

That would leave \$419,656.86 for a special assessment. It would be roughly \$1,375.92 per unit.

Frank Caprio asked for management to get a bid from Benise-Dowling for staggering the painting of the building over the next couple of years. Chucke Rachke suggested getting a quote for painting the interior areas at a later date or have the in house staff paint the interior areas. Clair Pease explained she will get the additional quotes from Benise-Dowling. She also committed that there may be a warranty issue if the in house staff paints the interior areas.

The board discussed the owners who may not be able to pay the special assessment due to their unit being “underwater”. Management will explore additional options, such as borrowing from the reserves and repaying over a three year period and getting a loan for the balance.

David Hole mentioned that Louis Breland stated last year that the painting of the building should be around \$800,000. David said he would give Louis a call to see what company would be able to provide that bid.

ADJOURNMENT

The Board a motion was made to adjourn the meeting at 11:24 AM by Tommy Grider. Seconded by Marc Nolen. Motion carried. Meeting adjourned.