

## CAUSEWAY ON GULL BOARD MEETING

November 20, 2005

1. The meeting was called to order at 10:00 a.m. at The Lodge in Brainerd by President, Denny Steele.

2. The minutes of the October 8 Board Meeting had not been distributed to the Directors in advance. Motion made and seconded that Gerry will e-mail/send the October minutes to Board members for review and approval or corrections. These will be returned to Gerry and formally approved at the January meeting.

### 3. Committee Reports

A. Finance Committee – Tom Kraus – Tom reviewed the September and October financial statements. Indications are the association books will be positive at year-end. It is planned to publish end of year financials on the web site. Reviewed the receivable and collection report and discussed means of collection. We will need copies of deeds if we pursue collection. The correct ownership base between Solara and Causeway remains an issue, although some improvement has occurred in the past couple of months. The developer has vacated the sales office at Causeway as of October 28. The current lease contains a 6 month notification clause which the Developer exercised to renew the lease. The Board has sent a notice of default and an offer to compromise the damages to resolve this situation. It appears no tours are being set up out of the developer's Edina location. Discussed the housekeeping staff pay policy and determining inspection protocol for this staff. The landscaping work behind the 6-plexes was discussed. The developer has asked the association to complete the work and bill them after completion. We are looking at establishing priorities for the work, i.e. removal of dead trees, garbage boxes, expanding the parking area, etc. Work will not start until spring. We have received lien notices on work that was completed for the developer on the 6-plexes. May have to consider posting signs on the premises regarding "work not authorized by owner association".

Action: Neil – Be prepared to file liens by December 1, 2005 in Cass County.

B. House and Grounds – John Herre – John indicated some outstanding concerns dealing with air conditioning and airflow in some of the older units. He also mentioned ensuring no conflict of interest between the association and some owners who may also do business in the area such as roofers, painters, etc.

C. Communications – Judy Nyssen – Denny will send the July minutes to LeAnne and Judy for posting on the website. It was agreed that the minutes would begin with January 2005 (Bob Edstrom will provide) and will remain on the website for two years. Tom will provide Judy with monthly current financial information. Two paragraphs will be added to the Management Company link (Action: LeAnne). Dick will e-mail the 2004 annual report to Judy for posting. Information on annual fees will be posted on the web site along with the mailing address. The fee amounts for 2006 will be \$635 for Units 1-52 and \$595 for units 53-58. Penalty and interest will be due after February 1 if unpaid. The weekly activities at the resort are updated weekly by Jeanette; old information should be removed. It was decided not to set up a link for owners to rent units. A paragraph will be added for owners wishing to sell their units with a link to Timeshareowners.com. A proviso will be added, "the association is not responsible for sale between individual units". Board meeting dates for 2006 will be added after they are established.

(These were set after the Annual Meeting as January 14, April 1, July 16, October 7, November 19, Annual Meeting in Twin Cities)

D. Policy Committee – No Report

4. Developer Report – No representative of the developer was present.

5. Management Report – Neil Narveson indicated that RCI has eliminated the category “Gold Crown by Exception” effective in September. Causeway on Gull is now considered a “Silver Crown” Resort, based mainly on unit quality. It is hoped the capital improvements scheduled for 2006 will improve this category. The addition of several golf carts will hopefully improve that situation this summer. With the vacating of the sales office by the developer, different options are being considered to possibly make more room for Pierz Marine, possibly relocating the check in area, etc. This issue will be discussed at January meeting. We discussed the accidental drowning of a visitor to the resort the previous week.

6. Old Business – None

7. New Business – Discussed possible easement of a driveway adjacent to the resort which services three parcels. Dick Hawke will get further information and subject was tabled to January meeting.

Question was asked regarding Lakeshore’s responsibility for landscaping as a result of the work performed by the city. Action: Dick Hawke - Schedule meeting with Neil Narveson to discuss and send letter to city. Motion was made and seconded to add James Kirkpatrick as an Ad Hoc member of the Board. Denny Steele went through his planned presentation for the Owner’s Meeting.

8. Motion made and seconded to adjourn the meeting at 12:30. Motion carried.

9. Meeting reconvened after the annual meeting to set 2006 meeting dates as follows:

January 14	9:00 a.m.	Dick’s Office
April 1	9:00 a.m.	Dick’s Office
July 16	9:00 a.m.	Causeway on Gull (Picnic)
October 7	9:00 a.m.	Dick’s Office
November 19	9:00 a.m.	Hotel to be determined

#### Annual Meeting

Dave Brainard was asked to fill in for John Herre.

Action: Committee formed to look at options for Sales Building consisting of Terry Miller,

Dave Brainard, Tom Kraus and Jim Kirkpatrick. Send names and address to Dave.