

CAUSEWAY ON GULL ASSOCIATION, INC.
2016 ANNUAL OWNERS MEETING
November 13, 2016
The Ramada Hotel and Conference Center, Plymouth MN

1. The meeting was called to order by Association President Steve Wagner. Also present from the Board were Doug Johnson, Roy Jensen, Daryl Luthens, Pat O'Hara, Shirley Mitchell, Doug Weber, George Deliduka, and Chuck Standfuss. Ad Hoc Committee members present were Rob Hanson and Dennis Steele. Gloria Williamson was absent. Legal Counsel, Dick Hawke, was also present.
2. A motion was made and seconded to approve the minutes of the November 15, 2015 Annual Meeting. The motion carried.
3. The President's report was presented by Steve Wagner.
 - A. Steve asked the other members of the Board to introduce themselves. He mentioned that the hardest thing that the Board deals with is the budget. Both setting the amount and then staying within the budgeted amounts while trying to make the necessary repairs. He thanked the staff at Causeway for doing a great job within the budgeted money.
 - B. The affiliation with Global Exchanged (GE) helped improve the budget. GE obtained a large block of inventory in 2016 and paid full maintenance fees.
 - C. The Board has approved purchasing 20 new golf carts next Spring however, the rental rates will increase in 2017. The hope is that the increased revenue will help offset the cost of the carts.
 - D. Steve mentioned that one of the things he will be focusing on this next year is to find the reasons owners stop paying their maintenance fees and let their account become delinquent. He will also continue with his goal to turn unproductive weeks into productive using methods like the deal in place with GE.
4. The Treasurer's report was presented by Doug Weber.
 - A. Doug reported that because of GE, the Association is collecting additional money and showing a positive cash flow. In an effort to help the Association, Narveson Management (NMI) did not take a management fee increase for 2017. This is the second year without an increase. Steve explained some of the challenges NMI has faced with the minimum wage increases, salary requirements, and health care.
 - B. Doug explained that much of the discussion during Board meetings is about how to spend money. Determining what projects need to be completed and what things can be put off. He encouraged owners to join the Ad Hoc Committee if they wish to get more involved. It is a great way to get an understanding of how the Association operates. An owner mentioned that all owners should be asked to contribute \$20 that would be allocated for specific projects. A brief discussion followed, but no action was taken.
 - C. Neal commented on delinquency and options for owners to pay their maintenance fees.
 - D. Doug explained that offering bonus weeks to owners and increasing public rentals by affiliating with Expedia have helped increase revenue, but the resales and selling the Association inventory will have the most impact financially. With an aging owner base, the Board is looking for ideas on how to make Causeway attractive to the younger generation.
 - E. An owner commented that the Association needs to have wireless internet in the units. The Board has looked into it, but it is very expensive. They have also considered purchasing portable wireless hotspots.
 - F. A motion was made and seconded to accept the financial report. The motion carried.

5. Resort Operations – Neal Narveson Management reported on the following:
 - A. Causeway has retained a Gold Crown Status with RCI for 2017.
 - B. The roof was replaced on units 29 and 30.
 - C. RCI paid to have a promotional video done of the resort. It has been posted on Facebook.
 - D. Neal explained how GE operates and some other options that might become available to generate revenue.
 - E. Neal mentioned that there wasn't much damage caused by the bad summer storms, however 30 more trees died and had to be taken down. Most of the work was done by the maintenance staff. He also reported on the maintenance projects that were completed in 2016. Roofs and carpet continue to be the projects that are needed the most, as well as exterior staining and window replacement.
 - F. Dick reported on some of the deed and title issues owners have and mentioned that he is finally in a position to help these owners. He explained the legal steps that were taken to be able to do this and why CGVI Holdings was formed to help with the process.
 - G. In response to a question, Dick explained that the Association cannot vote the weeks they own and the Association has a contractual agreement with GE that they cannot vote or interfere with the operation of the Association.
 - H. Dick encouraged owners to include their timeshare interval when doing a will or estate planning.
 - I. Dick was thanked for all he does for the Association.
6. Election of Directors – Three Board positions were up for election in 2016. Incumbents Daryl Luthens, Roy Jensen, and Chuck Standfuss were nominated. With three nominees for three Board positions, a motion was made and seconded to close nominations and cast a white ballot. The motion carried. Daryl, Roy, and Chuck were elected to the Board.
7. Meeting Business:
 - A. Owners were reminded that pets are not allowed at the resort. The only exceptions are service animals.
 - B. There was discussion regarding LED lighting. LED lights have been put into some of the units, but not all. A suggestion was made to put LED lighting in the pool area. The energy savings would probably offset the cost.
 - C. No decisions have been made about the docks. Neal has been discussing the subject with the owners of the Gull Lake Marina, and is hoping that they might help finance some of the possible future dock replacement costs.
 - D. A motion was made and seconded to adjourn. The meeting adjourned.