

CAUSEWAY ON GULL ASSOCIATION, INC.
2019 ANNUAL OWNERS MEETING
November 17, 2019
Arrowwood Lodge at Brainerd Lakes, Baxter MN

1. The meeting was called to order by Association President Steve Wagner. Also present from the Board were Doug Weber, Rob Hanson, Roy Jensen, Daryl Luthens, Pat O'Hara, Shirley Mitchell, and Chuck Standfuss. George Deliduka was absent. Ad Hoc Committee members Dennis Steele, Doug Johnson, and Jim Leukam were present. A sign-in sheet served as roll for the audience. With those in attendance at the meeting, along with the proxies that were received established a quorum for the meeting.
2. A motion was made and seconded to approve the minutes of the November 11, 2018. Annual Meeting. The motion carried.
3. The President's report was presented by Steve Wagner.
 - A. Steve thanked everyone for attending the meeting and asked the other members of the Board to introduce themselves.
 - B. Steve reported that the insurance claim has been completed, maintenance fees remained the same at \$765 per owner. The vacant lot/foundation on the hill was purchased and there are plans for it to be developed. The Board is currently reviewing the lease agreement with Gull Lake Marina. The Association is currently affiliated with RCI and Interval International (II). A new program is currently being offered to our owner that includes membership in a new II program – Club Interval Gold. Bonus weeks are continuing to be offered to owner at \$395 per week.
 - C. Steve opened the floor to owners for question, comments, or suggestions; they included
 - a. Offering discounted rental rates to military veterans.
 - b. The person who purchased the lot and foundation intends to build the six unit complex and sell as whole owned units, not timeshared units. These units will be a part of the Gull Five Association.
 - c. The playground equipment needs to be upgraded
 - d. Wi-Fi is needed in the units. The Board is continually looking into affordable options.
 - e. The number of Association owned interval and how they are being marketed to different generations.
 - f. The possibility of having owners volunteer to complete the projects that are needed, however, insurance concerns have to be considered.
4. The Treasurer's report was presented by Association Treasurer, Doug Weber.
 - A. The Finance Committee met and proposed to keep the maintenance fees the same at \$765 per owner. Although delinquency continues to be a problem, the Board is looking into many options to generate revenue for the Association. Eight weeks have been sold in connection with Club Interval Gold. The Board is also looking at the lease with Gull Lake Marina in an effort to increase revenue. Steve feels the Association has come a long way and is moving in the right direction.
 - B. There are about 500 unproductive weeks. Neal explained how the scam resale companies operate, how they harm the Association, and things that are being done to prevent intervals being deeded to fraudulent owners.
 - C. It was explained that Global Exchange is an owner, like everyone else. They own approximately 200 intervals which are banked into the RCI Points system. They do pay full maintenance fees on those intervals.

- D. It was explained that Gull Five Association are the five units on the hill, and the six unbuilt units. Although they are their own association, they pay proportionately to the common area expenses.
 - E. In response to a question about the Association taking weeks back, it was explained that it is the Board's fiduciary duty to do what they can do to keep the Association financially healthy, not to take weeks back because it puts the financial burden on the rest of the owners.
 - F. Neal clarified that the Association settled the insurance claim for \$1.6 million, less a \$50,000 deductible. Although a lot of work was completed with that claim, obviously there are still many things that need to get done.
5. Election of Directors – Three Director positions were up for election in 2019. Incumbents Roy Jensen, Chuck Standfuss were nominated, as well as Dennis Steele from the Ad Hoc Committee. A motion was made and seconded from the audience to close nominations and cast a unanimous ballot for Roy, Chuck, and Dennis. The motion carried.
6. A motion was made and seconded to adjourn. The meeting adjourned.