

CAUSEWAY ON GULL CHATTER



November 12th Annual Meeting 2023

We held our annual meeting this year in Baxter, MN at the Arrowwood Lodge

BOARD MEMBERS ELECTED AS FOLLOWS

Steve Wagner – President term ends November 2025

Robert Hanson – Vice President term ends November 2026

Douglas Weber – Treasurer term ends November 2024

Doug Johnson – Policy Committee term ends November 2025

Sue Brennan - Communication term ends November 2025

George Deliduka – Term ends November 2024

Daryl Luthens – Finance Committee term ends November 2026

Jim Leukam - House and Grounds –term ends November 2024

John Zimmer – Term Ends November 2026

AD HOC MEMBERS ELECTED AS FOLLOWS

Kitty Haselkamp

Roy Jensen

Amanda Olivia Kujala

Steve Wagner presented the 2024 budget which passed and was approved at our October Board Meeting. The Annual Maintenance Dues increased \$20 (2.4%) from \$840 to \$860 for 2024, biennial \$430. \$50 going to Operating Reserve \$35 going to Replacement Reserve. The balance of \$775 goes to the Operating Budget. The Budget and Association Financials were discussed, but nothing was voted on until nearly the end of the meeting, where we tried to get a motion to accept the Financial Report waiving the need for further outside auditing, instead we got a motion from Randy Waskul to hire an outside audit firm to audit 2022 and 2023 returning a report in November 2023. Due to the cost of an Audit, the motion failed by a vote of the members in attendance. Again, there was a Special Assessment to help cover the costs of unit upgrades, beginning with replacing the carpet in the balance of the units.



The Special Assessment is \$146 per Interval and \$73 for Biennial for 2024. Along with the Special Assessment a survey was conducted regarding future projects asking Members to prioritize 1-5 with 1 being the most important. The survey came back with furniture ranking number one. The Board does not expect an additional Assessment in 2025.

Survey Results

Causeway on Gull Survey October 2023

Number of owners ranking each listed item on a scale of 1 (highest priority) to 6 (lowest priority)

Project	1	2	3	4	5	6	Ranked Vote	Rank
Furniture Replacement	221	192	166	146	76	46	3586	1
Mattresses & Beds	200	224	159	126	79	29	3521	2
Internet	181	138	114	100	109	175	2925	3
Hot Tub Repair/Replace	164	112	110	92	110	143	2623	4
Replace Windows/Doors	60	98	142	175	193	107	2436	5
Exterior Staining	36	55	107	191	205	190	2092	6

Rank Voting Points

Survey Results as of 11.3.23 - Results still coming in

1 = 6 points 4 = 3 points

2 = 5 points 5 = 2 points

3 = 4 points 6 = 1 points

In a perfect world if all owners paid their dues the resort could operate the way it was intended but, that's not happening. It is becoming more challenging to have new generations of timeshare owners get involved in using timeshare products. The industry is having to re-invent itself and creative about how to get the next generation excited about timeshare vacations.

The Board and Management continue to look for options on making our unproductive inventory productive again, and there are some real possibilities for getting this done in 2024

Unbillable/Uncollectible of \$535,780 = 21% of \$2,543,880 if 100% of owners paid



Current Owners that are delinquent = 6% of billable or \$120,000. The total loss of potential revenue is Approximately **\$547,780**.

Association Owned	Units 1-52	Units 52-58	Totals
Annual	330	21	351
Even Year	106	23	129
Odd Year	104	24	138
Totals	440	44.5	484.5
Foreclosure/SCCO	Units 1-52	Units 52-58	Totals
Annual	123	0	123
Even Year	13	3	16
Odd Year	11	4	15
Totals	135	3.5	138.5

The funds available is \$1,996,100 plus miscellaneous income from Gull 5 (units on the hill), Marina, and interest income = \$381,100 for a **Total of \$2,337,100** This is what we use to pay Management Contract, utilities, supplies, tax, insurance, loan payment for a **total of \$2,184,840, Expected Income \$2,377,100 - \$2,184, 840 = \$192,260 for Reserves/Improvements is what's left.**

Assessments

These funds are set aside from the Budget for specific projects such as Carpet and next is Furniture Replacement.

First Assessment in
2022

\$259,363.28 Collected

Payments for Carpet = \$131,717.88

Second Assessment in
2023/2024

\$211,463.22 Collected as of 11.3.23

Carpet

Installed are 1, 2, 3, 4, 5, 6, 8, 10 (upstairs, and hot tub room), 13, 15, 16, 19, 25, 26, 29, 30, 33, 34, 41, 42, 47, and 48. Additional carpet has been ordered and installation has resumed in October. The carpet schedule depends on availability basis of units. Maintenance is taking down one duplex (2 units) at a time for a period of two weeks, this is done to mitigate the noise and moving of furniture from one unit to the other. The following units are tentatively scheduled for replacement through December 2023: 39,



40, 9, 49, 50, 45, and 46. If the front desk calls and asks you to move to another unit, we ask you to please be as accommodating as possible to move this project along. Our hope is to complete the remaining 34 units over the winter months slow season.

Grounds Committee

Jim Leukam updated our membership on current targeted projects. He noted that repairs would be easier if it were not for the unproductive inventory. Many everyday items including toilets, faucets, deck grills, fireplaces, ceiling fans, and stereos are continuing to be replaced.

Annual Meeting members noted they would like to see additional shoveling/snow blowing, removal of roof debris, and a need for receptacles for cigarette butts. Housekeeping needs improvement and maybe a checklist introduced to ensure nothing is left behind and overall cleaning improved

Completed maintenance include:

Completed Maintenance	32 Furnaces	26 Air conditioners	18 Water Heaters
29 Sofas and chairs	30 Deck Swings	6 Patio Doors	All TV's Upgraded by 2019
52 Dishwashers	37 Refrigerators	45 Microwaves	47 Ovens
39 Washer & Dryers	31 Master Beds	22 Loft Beds	15 Sleeper Sofas

The Maintenance team continues to work hard on the many needs of our resort, there is not a shortage of tasks that need to be accomplished. We are well aware of the issues with our aging resort and are all working hard together with the budget we have to improve as much as possible from normal wear and tear issues, windows, sliding doors, sliding patio screen doors, tile replacement, painting, appliances, staining, the list goes



On. Jim asks that if you have maintenance issues, please bring it to the attention of the front desk so they can address them.

Hot Tubs

Hot Tubs, there was again discussion about the tubs at the recent annual meeting. The Board continues to do its research into the options and appreciates the response from owners in the recent survey. Further decision making will have to occur, and cost studies are in the works for the various options for the future of the Hot Tubs. The State's ever changing regulations have made things virtually impossible to work around that we can no longer ignore.

Right now, units 4, 11, 12, 17, 21, 22, 24, 35, 36, 37, 38, 39, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52 are up and running. This could change if there are issues. Remaining units where hot tubs aren't working will not be reopened due to cost factors. In the end it was decided to leave the hot tubs as they are but if the cost is more than \$50 to repair, it will be shut down until cost studies are completed.

Insurance

Because of insurance liability and state licensing issues a committee was assigned to research our Rental Policy. Short-term rental is the largest issue for our insurance company and will affect our coverage and premiums if not changed. This new policy was updated and will be posted in its entirety on our website.

Owners offering nightly rentals create different expenses to the association for those stays. (Additional housekeeping services, laundry services, administrative services, supplies, etc.) An owner cannot provide these additional nightly services themselves, or with their own employees, as these activities are not covered under the association's insurance policy. Therefore, all nightly rental activity and corresponding service must be contracted for through the Association and its Management Company. Owners cannot rent their units by the night on their own. Rental contracts, advanced deposits, and disbursement of all rental funds for these services will be properly run through the Management company

Board Update

A new Ad Hoc member Amanda Olivia Kujala was selected by the Board. She has a great background in communications and web design. She is willing to help update our Resort page. We would like to do more in the form of communication and to utilize our web page and user friendly. Doug Johnson was announced to be point person for the

November 2023



Policy updates and Resort Documents that will be posted when updated.

New Entryway Sign



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