

**CAUSEWAY ON GULL**  
**BOARD OF DIRECTORS MEETING**  
**January 10, 2015**

1. The meeting was called to order by Steve Wagner. Also present from the Board were Gloria Williamson, Doug Johnson, Roy Jensen, Dennis Nordstrand, Rob Hanson, and Shirley Mitchell. Chuck Standfuss and Daryl Luthens were absent. Ad Hoc Committee members present were Pat O'Hara, Dennis Steele, Doug Weber and George Deliduka. Legal Counsel, Dick Hawke, and Narveson Management representatives Neal Narveson and LeAnne Rundhaug were also present.
2. A motion was made and seconded to approve the minutes of the Annual Meeting for distribution, and the Meeting Before the Annual Meeting, as corrected, both held November 16, 2014. The motion carried.
3. Election of Officers: A motion was made and seconded to elect Steve as President. The motion carried. A motion was made and seconded to elect Roy as Vice President. The motion carried. A motion was made and seconded to elect Dennis N. as Treasurer. The motion carried. A motion was made and seconded to elect Rob as Secretary. The motion carried.
4. Committee Reports:
  - A. Finance Committee – Dennis reported that the Association is moving into 2015 with less overall cash than in previous years, however, there were more expenses in 2014, as both gas and electric costs increased, building maintenance and hot tub maintenance increased because of State requirements and storm damage. Once again, the Board will need to be cautious when scheduling projects for this next year.
  - B. House and Grounds Committee – there was nothing new to report.
  - C. Communications Committee – Pat will be working on the Spring Newsletter. There was discussion regarding letting owners/guests know about the new boat trailer decals that will be required beginning July 1<sup>st</sup>.
  - D. Policy Committee – discussion was deferred until later in the meeting.
5. Management Report - Neal reported on the following:
  - A. He is still working with Global Exchange (GE) to get the Association registered in CA, so they can take title and pay maintenance fees on some of the unsold inventory. This registration needs to be done before GE can obtain title to the weeks. He is hoping that once North Beach (another association who has been working with GE) gets approved, Causeway will go a little faster because they will be more familiar with MN timeshare documents. GE is not taking all of the inventory that was once discussed, which will reduce the amount of maintenance fees paid, however, they have agreed to pay one fourth of the amount due, at closing. Neal noted that the \$50.00 per interval brokerage fee is included in the Association deal and won't be paid to them until the deal closes for the Association. Following a lengthy discussion, a motion was made and seconded that, subject to final attorney review and approval, Steve is authorized to sign the agreement with GE. The motion carried.
  - B. The lease assignment with Gull Lake Marina has been signed. Luke had mentioned coming up with some programs that could benefit the members of his boat club, as well as Causeway guests.
  - C. Another sales agent has been hired by Vacation Ownership For Less (VOFL). Penny, has had some experience with marketing and has looked into advertising on Craig's List, Ebay, as well as other real estate sites. Neal mentioned that the Breezy associations offered their inventory to owners at 50% off the list price. Approximately 30 intervals sold with two weeks. There was discussion regarding offering a similar deal to Causeway owners. It was suggested that some kind of coupon be created for owners. Other marketing ideas were also discussed.

- D. The mold in the unbuilt six plex foundation is getting bad, so hopefully the bank will start moving ahead on the GLRC property.
  - E. The phone system has been an ongoing problem and may need to be upgraded.
  - F. Bids have been obtained for sidewalk replacement at the front desk building, and for the indoor pool liner. Bids are still being sought for the dock repairs that are necessary. Following discussion, a motion was made and seconded to approve the bid for sidewalk replacement. The motion carried. No additional projects will be scheduled until the April meeting.
  - G. Approximately \$9,000 has been collected from the insurance claim from the storm damage. There is still \$8,000 pending for rent that was paid for moving guests out of unit 18.
6. Meeting Business:
- A. The next year's meetings were scheduled as follows:
    - Saturday, May 2, 2015. The Board will meet at Causeway at 10:00 AM.
    - Saturday, July 18, 2015. The Board will meet at Causeway at 10:00 AM
    - Saturday, October 17, 2015. The Board will meet at Dick's office at 9:00 AM.
    - Sunday, November 15, 2015. The Board will meet at 10:00 for a Meeting Before the Annual Meeting and the Annual Meeting will be held at a location TBD in Brainerd at 1:00 AM
    - January 9, 2016. The Board will meet at Dick's office at 9:00 AM
  - B. The committees were assigned as follows:
    - Finance – Dennis (chairperson) Daryl, Denny, Steve
    - House and Grounds – Roy (chairperson), Shirley, Gloria, Steve
    - Communications – Rob (chairperson), Rob
    - Policy – Doug J., Chuck, Doug W.
  - C. Dick reported that CGVI Holdings have been issuing some deeds. There are also a few owners who are making payment on their contract directly to CGVI. He will be working on sending notifications to the list of owners who had defaulted on their Contract for Deeds with Causeway Development.
  - D. Dick explained that the rest of the developer inventory will need to be foreclosed on. There was discussion on what actions could be taken to obtain clear title to those intervals, and possibly resolve some of the other title issues that have been found.
  - E. The Board reviewed the suggested changes to the Association Policies. Following discussion, motions were made, seconded, and approved to approve the revisions as discussed, in Sections 1, 2, 3, and 4.
  - F. The resolutions that were made by an owner during the Annual Meeting were reviewed. Following discussion it was determined that the Board will not bring the resolutions forward at the next Annual Meeting because the resolutions create policies that are contrary to the Association's documents.
  - G. There was discussion about an article that was in Timesharing Today regarding the Viking Ship Rule.
  - H. A motion was made and seconded to approve Dick's retainer agreement including the \$150 per year increase. The motion carried.
  - I. There was discussion regarding better ways to get information to owners.
7. A motion was made and seconded to adjourn. The meeting adjourned.