

GULFSIDE VILLAS  
BOARD OF DIRECTORS MEETING  
December 15, 2005

Meeting was called to order at 2pm on Thursday, December 15, 2005, by Dennis Peterson, Treasurer. Board Members present: Liz Schaffer, President; Ed Rawls, Vice President; Dennis Peterson, Treasurer; and Janice Goot, Secretary. Also present were Steve Goot and Brenda Woodruff. Proof of Notice of Meeting was established. Quorum being established, meeting proceeded.

Motion made, duly seconded and unanimously passed to approve the minutes.

It was reported that none of the Associations funds became available to our new management company until Friday, December 9, 2005. New signature cards had not been delivered to the bank by First Choice. Further, First Choice continued to refuse to cooperate and only upon threat of litigation by Dennis Peterson, did they agree to release funds. An investigation as to what funds were spent by First Choice will continue. Kathy Rawls to seek bank records for October and November as she was one of the signers on the account listed in the bank records. Brenda Woodruff advised that they now have funds and will begin ordering needed repairs.

Financial Report given by D. Peterson. Motion made, duly seconded and unanimously passed to approve the Financial Report.

Budget for 2006 was reviewed and discussed in detail. Information as to the amount of increase in insurance premiums is not yet available. Motion made and duly seconded and unanimously passed to increase the monthly assessment per unit to \$310.00 with additional funds placed into Insurance Reserves.

Report presented by Steve Goot as to status of Supplemental Claim to Citizens for hurricane damage. Progress is being made to resolve the claim.

Brenda Woodruff advised that she will be in contact with the railing company to discuss the cost of replacing the rusting screws. It will be discussed and decided later as to benefit of hiring an attorney to pursue the matter.

After discussion, it was decided that the pool heater and pump should be placed on a timer as it appears unnecessary to the pump to operate 24 hours per day.

Upon motion duly made, seconded and unanimously passed meeting was adjourned at 3:05 p.m..

Respectfully submitted,

Janice Goot, Secretary.

Approved for the Association \_\_\_\_\_ Date \_\_\_\_\_

Minutes are not official until approved.

**GULFSIDE VILLAS FULLY FUNDED 2006 RESERVES**  
**Executive Budget Summary**  
**JANUARY 1, 2006 - DECEMBER 31, 2006**

	<b>2005 Budgeted Amounts</b>	<b>2005 Actual 9/30/2005</b>	<b>2006 Proposed Budget</b>
<b>INCOME</b>			
Assessments	70,048	52,537	64,206
Other Income	0	715	1,100
<b>TOTAL</b>	<b><u>\$70,048</u></b>	<b><u>\$53,252</u></b>	<b><u>\$65,306</u></b>
<b>ADMINISTRATIVE EXPENSES</b>			
Audit and Legal	500	137	500
Taxes	0	159	159
Licenses/Permits/Fees	400	0	60
Office Supplies	800	507	800
Bureau Fees	62	61	80
Management Fees	5,754	4,311	3,010
<b>UTILITIES</b>			
Electricity	1,800	1,273	2,100
Trash	3,331	1,110	3,500
Water/Sewer	7,390	6,875	8,400
<b>MAINTENANCE AND REPAIRS</b>			
Exterior Building	2,000	3,643	2,000
Lawn Service	2,600	1,736	3,600
Maintenance Contract Services	1,400	594	3,000
Termite Contract Services	2,000	1,042	2,000
Pool	4,500	3,287	4,500
Other Repairs	300	49	500
Roof	1,000	93	1,000
<b>INSURANCE</b>			
Commercial Property/Gen Liability		6,624	10,000
Flood		2,552	3,060
D & O		956	1,147
<b>TOTAL</b>	<b><u>\$33,837</u></b>	<b><u>\$35,009</u></b>	<b><u>\$49,416</u></b>
<b>RESERVE ANALYSIS</b>			
Reserve Balance Projected to 12/31/05			\$71,936
2006 Budgeted Additions			\$13,600
2006 Budgeted Expenses			\$0
Projected 12/31/06 Reserve Balance			<b><u>\$85,536</u></b>

**GULFSIDE VILLAS FULLY FUNDED 2006 RESERVES**  
**Executive Budget Summary**  
**JANUARY 1, 2006 - DECEMBER 31, 2006**

<u>UNIT TYPE</u>	<u>% OF OWNER-SHIP</u>	<u># OF UNITS</u>	<u>OPERATING EXPENSE</u>	<u>MGMT. FEE</u>	<u>CABLE FEE</u>	<u>BUREAU FEE</u>	<u>GROUP TOTAL</u>	<u>TOTAL PROPOSED 2006 MONTHLY ASSESSMENT</u>
A	5.000	20	3,111	151	0	4	65,306	\$269
<b>TOTAL UNITS</b>		20						
			\$62,216	\$3,010	\$0	\$80	\$65,306	

**GULFSIDE VILLAS FULLY FUNDED 2006 RESERVES**  
**Executive Budget Summary**  
**JANUARY 1, 2006 - DECEMBER 31, 2006**

REPLACEMENT RESERVES	ESTIMATED LIFE	ESTIMATED REPLACEMENT COST	ESTIMATED REMAINING USEFUL LIFE	ACCOUNT BALANCE 9/30/2005	ESTIMATED YEAR-END BALANCE	REQUIRED RESERVE AMOUNT
PAINTING	7	24,000	4	10,871	11,165	1,500
ROOF 1	15	30,000	8	10,752	14,616	1,923
ROOF 2	15	15,000	5			3,000
ROOF 3	15	15,000	5			3,000
ROOF 4	15	15,000	5			3,000
PAVING	20	20,000	10	5,884	5,884	1,412
POOL	20	15,000	10	3,993	4,251	1,075
<b>TOTAL</b>		<b>134,000</b>		<b>31,500</b>	<b>35,916</b>	<b>14,910</b>
DEFERRED MAINTENANCE						
SEAL/STRIPE	5	4,000	2	1,721	1,721	1,140
INSURANCE	1	18,849	1	16,605	0	18,849
DEFERRED MAINTENANCE CONTINGENCY	1	6,450	1	5,092	5,450	1,000
<b>TOTAL</b>		<b>29,299</b>		<b>23,418</b>	<b>7,171</b>	<b>20,989</b>
<b>TOTAL RESERVE</b>		<b>163,299</b>		<b>54,918</b>	<b>43,087</b>	<b>35,898</b>