

PRESENT:

Charles Gaba  
Jack Gaines  
Stan Graves  
Bruce Jones  
Robin Linn  
Lynn Howes  
Mike Rogers  
Jay Minus

ABSENT:

Bruce Thompson  
Jack Gaines

1. Call to Order
2. Establish Quorum
3. Approval of Minutes of June 16, 2011 Board Meeting - Minutes were approved subject to removal of names listed in items A thru F of Item C in New Business (Revised minutes attached)
4. Treasurer's Report-Bruce Jones – Bruce Jones went over the Treasurer's Report (attached). We show an increase in values of \$7059.25. A typo was pointed out on the Merrill Lynch account. Correct the \$1,390.00 amount.
5. Financial Statements June, 2011 -Stan Graves said the financial reporting still needs a lot of work to get the reporting in order. We show a loss of about \$250k for the last fiscal year. He proposes to cut this deficit in half next year and eliminate it the following year. He plans to do this by implementing a budget and enforcing it. Charles said we are still having problem with POS system. The wrong system was recommended by our accounting firm. It was agreed that we need to get a POS system that works. (Financial Reports attached)
6. Operations Report –
  - a) Jeff Collier gave the operations report (attached).
  - b) Stan asked about written policy concerning golfers bringing beverages on to the golf course. Jeff said he will get a sign to indicate that no outside beverages are allowed. He will put one at the first tee box and on the wall of the Pro Shop.
  - c) Bruce Jones made a motion to spend \$650.00 on window tinting at the Grill to help with cooling. Jay seconded and the motion passed.
  - d) To deal with acoustical issue Jay recommended hanging flags from the ceiling.
7. Committee Reports
  - A. Architectural – Robin Linn gave report (attached). Four new construction permits issued. The report does not show some of the permits that were reviewed. Robin Linn will provide
  - B. Clubhouse Facility/Volunteer- Mike Rogers acknowledged Carol Merkel for all her work in updating the database. Jay had an idea to allow property owners to receive all information via email. Mike said that when we get database in Microsoft Access this will be easier to do.
  - C. POA/Town Shoreline Restoration –Bruce Jones said that National Trust for Historic Preservation is interested in helping to lobby for beach nourishment funding. The BP penalty fine is another potential source of funding. There is an effort through the town

of Dauphin Island to get a proposal/presentation together to present to the appropriate parties at the appropriate time.

- D. Advertising-Robin Linn, there was an advertisement for Isle Dauphine which ran in Gulf Coast weddings. Charles will talk to Jeff Collier to see if we can put a sign near Salt Creek. We need to know what the sign ordinance will allow and if we can cut down trees to install sign. A point was made that it is not clear what POA members have access to, this would be good subject for the Newsletter and for posting on the website.
- E. Pool-Charles Gaba said after review with our legal counsel, it was determined that the pool needs to be "Swim at Your Own Risk". Bruce Jones made a motion that we immediately go to "Swim at Your Own Risk" at the beach and the pool and post appropriate signage. Lynn seconded the motion and it passed without opposition.
- F. Budget-Stan Graves made a motion that budget preparation will begin in no later than February 1 and the budget will be complete by the annual meeting. Jay seconded the motion. Motion passed without opposition.

#### 8. Old Business


- a) BP Claim- Mike Rogers said that he has gotten information from Boe Strange to have reviewed by another accounting firm to see if there is additional claims that should be filed.
- b) Mailing/email update- Mike Rogers said Carol Merkel has done a great job with this and work is ongoing. We will try to have the database done by the next board meeting.
- c) POS system- Charles Gaba – see Operations report
- d) Mission Statement/Questionnaire- Stan Graves said work is ongoing on this. Stan made a motion that the Mission Statement and questionnaire be emailed to members on our email list and mailed by U.S. Mail to those not on the email list, subject to final review by the board. Seconded by Bruce Jones, motion passed without opposition.
- e) Flying J Water sports - Charles Gaba said they have set up a beach rental company on our beach. They are paying \$500/month and have a month to month lease.

#### 9. New Business

- a) Summer Events-Jeff Collier said there have been a lot of activities this summer and people are learning we are still here.
- b) Cemetery- Charles Gaba
- c) Facilities lease/golf management co.-Charles Gaba distributed attached information regarding the constitution of the POA. Currently we have contradictory language under item D on page 3 of 14. Bruce made a motion to pursue changing the zoning of the Property Owner's Beach from "Conservation Park" to "Resort Commercial". Mike seconded the motion, Lynn recused herself and motion passed without opposition.
- d) Woman's Club Auction- Bruce made a motion to waive the rental fee for the Dauphin Island Woman's Club auction to be held at Isle Dauphine. Mike seconded motion. Motion passed.

10. Next meeting is August 18<sup>th</sup> 6 PM

11. Adjourn

 8-12-2011

9/9/2011

Correction to the July 2011 Minutes:

Stan commented after Jeff presented his operations report that the rounds of golf did not present the full picture of the financial impact of the Golf Memberships on the per-round greens fees. He indicated an initial review showed that golf memberships produced a per-round for green fees of \$1.41 per round. Jeff commented that this number may take into consideration other factors that would affect this figure. Based upon the discussion Stan said he would provide the Board with an e-mail explaining how he arrived at the per-round greens fee. It was also commented that we should look at memberships to determine how they should be handled in the future and whether they should continue them as is.

# Dauphin Island

## PROPERTY OWNERS ASSOCIATION

P.O. Box 39  
Dauphin Island, AL 36528

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dipoa10@centurylink.net

### Treasurer's Report:

	June 15, , 2011	July 15, 2011
<b>BAY BANK</b>		
OPERATING ACCOUNT CK	16,964.19	23,675.49
TRUST CD	46,263.25	46,391.52
OPERATING CD	23,638.35	23,638.25
<b>WELLS FARGO</b>		
OPERATING ACCOUNT	102,653.20	102,677.30
TRUST CDs	362,295.24	362,490.80
<b>MERRILL LYNCH</b>		
TRUST	13,899.99	1,390.01
<b>TOTAL</b>	<b>553,204.22</b>	560,263.47
<b>CHANGE</b>		<u>(+) 7059.25</u>
<b>DIPOA - HARTMAN TRUST</b>		
WELLS FARGO	98,714.40	98,816.55
BAY BANK	243,474.17	243,474.70
COMMUNITY BANK	243,640.93	243,600.88
BANC CORP SOUTH	243,480.00	243,480.00
OZARK BANK	217,634.89	217,725.53
FAMILY SECURITY CREDIT UNION	238,549.41	238,672.93
FAMILY SECURITY/SAVINGS	25.15	25.17
<b>TOTAL</b>	<b>1,285,518.95</b>	<b>1,285,793.76</b>

# Isle Dauphine Club Operations Report

DIPOA MEETING - JULY 21, 2011

The entire facility has seen a flurry of activities over the past month including golf tournaments, pool & cabana events and special functions at the clubhouse. The fireworks viewing and dinner held in the Wheelroom was especially well attended with some 85 reservations. Most in attendance were complimentary of the event and many suggested we sponsor other similar functions on a regular basis. The "Stars & Stripes" and "Rodeo" Golf Tournaments also proved popular despite hot & dry course conditions. The Jet Ski Exhibition on July 14 drew approximately 225 spectators for the two shows while a popular local band brought nearly 300 guests to the cabana on rodeo Friday & Saturday nights. In addition to these Isle Dauphine sponsored events, we also hosted a wedding and the annual Rodeo President's Party during this same time period!

Golf Rounds:	June 2010	Members 128	Guests 339
	June 2011	Members 210	Guests 533

Golf course conditions have been poor over the past month primarily due to the extreme heat and drought conditions that have remained persistent since late spring. The nearly six inches of rain that fell on Rodeo Sunday has given new life to parts of the course that were previously parched and brown. Hopefully, the recent rains will help our staff regain control of course maintenance efforts as we head into the Dog Days of Summer. Speaking of staff, the course crew is now at three members with the recent resignation of Charles Clarke. Short term plans include the utilization of some of the part time employees to fill that void.

Thanks to Brian Hunt (and his wife) for helping beautify the front entrance area at the Golf Shop & Grill. Brian also donated an assortment of six pack coolers for use on the golf course and led the effort to install a billboard-type sign at the north end of the DI Bridge (Cedar Point).

A proposal was recently submitted (by a repeat customer) to install acoustical panels in the grill to reduce noise levels in the dining area. We've also received a couple of quotes to install window tinting on all grill windows to reduce glare and heat levels. The Gulfview Grill has received complaints from patrons about room temperature and noise throughout the summer months.

Surveyors are currently preparing building elevation certificates on selected DIPOA buildings for insurance purposes (\$1125). The surveyor is also in the process of plotting off the DIPOA Cemetery (corner of Key & Chaumont Streets) to "inventory" existing grave sites and those plots remaining for use (\$950).

A property owner who contributed to the Berm Fund post-Katrina has notified us that she misplaced (and later found) her refund check in the amount of \$3000 dated June 2007. The property owner is requesting a replacement check and has sent a copy of the original for our review. The Board will need to take action on this matter and direct the staff on how to proceed.

In preparation for the possibility of the DIPOA acquiring the existing golf shop merchandise from Jeff Collier, an inventory was recently taken and the total cost of merchandise on hand is approximately \$8950. A copy of the inventory will be provided if the Association moves forward with the buy out.

A ½ page ad was placed in the Gulf Coast Weddings magazine (see page 87) to showcase Isle Dauphine as a destination wedding facility "close to home".

# Profit & Loss

## May through July 2011

	May - Jul 11	May - Jul 10
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Entertainment Income	5,293.20	0.00
Sales - Food & Beverage	88,245.54	0.00
Sales - Alcoholic Beverages	1,974.79	0.00
Accrued Interest	0.00	383.41
Beach Access	928.61	726.00
DIWSA Admin Fees	2,227.50	2,227.50
<b>Golf Income</b>		
6 Pack Green Fees	294.94	0.00
12 Pack Green Fees	179.72	0.00
Golf Cart Fees	3,394.24	11,340.47
Golf Green Fees	31,773.85	10,004.63
Golf Income Other	221.45	0.00
Income Other	0.00	1.71
Memberships-Golf	518.66	120.00
Misc Income	669.32	44.47
Tournament Fees	4,492.06	40.95
Golf Income - Other	10.00	176.00
<b>Total Golf Income</b>	41,554.24	21,728.23
Interest Income	11.03	1,026.64
Membership Dues POA	9,266.54	14,221.99
<b>Pool/Tennis Income</b>		
Pool Income Other	11,916.03	0.00
Pool/Tennis Income - Other	3,483.57	0.00
<b>Total Pool/Tennis Income</b>	15,399.60	0.00
Rental Income Clubhouse	11,899.50	8,981.00
Rental Income Grill	0.00	1,500.00
Rental Income	269.20	0.00
Rental Income Parking Lot	0.00	2,922.91
Royalty Income POA	10,977.47	12,927.00
Contribution Income	100.00	0.00
<b>Total Income</b>	188,147.22	66,644.68
<b>Cost of Goods Sold</b>		
Cost of Goods Sold		
Food & Beverage	46,400.33	0.00
Cost of Goods Sold - Other	460.55	0.00
<b>Total Cost of Goods Sold</b>	46,860.88	0.00
<b>Total COGS</b>	46,860.88	0.00
<b>Gross Profit</b>	141,286.34	66,644.68
<b>Expense</b>		
Accounting Services	4,795.00	3,050.00
Advertising	1,412.00	0.00
Bank Charges	48.80	284.56
Cash Over/Short	-85.61	67.82
<b>Club House Expense</b>		
Linens	0.00	410.13
Club House Expense - Other	0.00	5,973.56
<b>Total Club House Expense</b>	0.00	6,383.69
<b>Contract Labor</b>		
Contract Labor - Main Building	0.00	200.00
Contract Labor - Other	2,825.28	1,575.00
Contract Labor - Other	285.00	541.09
<b>Total Contract Labor</b>	3,110.28	2,316.09

# Profit & Loss

## May through July 2011

	May - Jul 11	May - Jul 10
Contract Labor - Golf	0.00	661.90
Contract Labor - Pool	75.00	0.00
Credit Card Fees	2,339.98	414.12
Depreciation Expense	6,900.00	6,900.00
Dues & Subscriptions	125.00	0.00
Equipment Rental	0.00	71.00
Entertainment	1,385.40	0.00
Fuel for Golf Carts	3,111.88	3,879.89
Insurance		
Insurance-Inland Marine	915.00	574.00
Insurance - Flood	0.00	296.00
Insurance - Health Admin	1,630.00	2,750.50
Insurance - General Liability	4,650.00	5,056.00
Insurance - Workman's Comp	1,162.50	0.00
Insurance Gen Liability - Other	2,250.00	0.00
Insurance - Other	1,191.00	0.00
<b>Total Insurance</b>	<b>11,798.50</b>	<b>8,676.50</b>
Interest Expense	308.00	64.72
Leases		
Lease - Copier	1,047.79	2,306.22
Lease - Golf Carts	5,803.63	7,137.81
Lease - Golf Equipment	6,678.22	4,942.28
<b>Total Leases</b>	<b>13,529.64</b>	<b>14,386.31</b>
Legal & Professional Fees	3,277.88	3,978.40
Mileage	232.30	34.10
Misc		
Misc-Beach	0.00	297.85
Misc - Golf	0.00	124.89
Misc - Grill	181.75	0.00
Misc - POA Admin	79.00	121.87
<b>Total Misc</b>	<b>260.75</b>	<b>544.61</b>
Office Expense		
Office Expense - Admin	0.00	2,280.31
Office Expense - Computer	118.00	66.54
Office Expense - Copier	0.00	78.39
Office Expense - Golf	0.00	140.00
Office Expense - Other	173.77	10.52
Office Expense - Print&Post	82.91	0.00
<b>Total Office Expense</b>	<b>374.68</b>	<b>2,575.76</b>
Payroll		
Payroll - Gross	86,231.92	13,506.88
Payroll - Golf	0.00	25,717.62
Payroll-Direct Deposit Fees	168.25	36.90
Payroll Taxes	8,055.70	3,272.05
<b>Total Payroll</b>	<b>94,455.87</b>	<b>42,533.45</b>
Repair & Maintenance		
Pro Bldg	1,066.99	102.00
Course	3,199.35	19,273.25
Grill	1,117.28	228.00
Main	2,863.33	0.00
Park	280.00	0.00
Pool	1,631.13	885.09
<b>Total Repair &amp; Maintenance</b>	<b>10,158.08</b>	<b>20,488.34</b>

## Profit & Loss

### May through July 2011

	May - Jul 11	May - Jul 10
<b>Supplies</b>		
Supplies Golf	1,726.27	15.90
Supplies - Pool	1,290.74	0.00
Supplies - Herbicides/Pesticide	-462.64	1,217.91
Supplies - Fertilizer	1,035.57	0.00
Supplies - Misc	2,459.42	0.00
Supplies - Food & Beverage	1,250.00	0.00
<b>Total Supplies</b>	<u>7,299.36</u>	<u>1,233.81</u>
<b>Taxes</b>		
Property	6,000.00	6,600.00
Taxes - Other	599.90	0.00
<b>Total Taxes</b>	<u>6,599.90</u>	<u>6,600.00</u>
<b>Utilities</b>		
Gas	623.18	0.00
Dish Network	250.55	0.00
Water	1,776.97	939.00
Power	12,064.43	6,177.87
Waste Mgmt	800.00	1,626.43
Fire Protection	165.00	0.00
Telephone	1,538.62	950.90
<b>Total Utilities</b>	<u>17,218.75</u>	<u>9,694.20</u>
<b>Total Expense</b>	<u>188,731.44</u>	<u>134,839.27</u>
<b>Net Ordinary Income</b>	-47,445.10	-68,194.59
<b>Other Income/Expense</b>		
Other Income		
Contribution from Berm Fund	-3,000.00	0.00
Grant Income	737.24	2,211.72
Unrealized Gain/Loss		
Wach Operating	88.36	-1,365.09
Wach Trust	-292.32	-578.25
<b>Total Unrealized Gain/Loss</b>	<u>-203.96</u>	<u>-1,943.34</u>
Ask My Accountant	89.12	0.00
<b>Total Other Income</b>	<u>-2,377.60</u>	<u>268.38</u>
<b>Net Other Income</b>	-2,377.60	268.38
<b>Net Income</b>	<u><u>-49,822.70</u></u>	<u><u>-67,926.21</u></u>