

**GRAND TIMBER LODGE OWNERS ASSOCIATION
BOARD MEETING MINUTES**

Saturday, November 3, 2007

Attendance

Board Present: Tom Wood, John Turner, Rob Millisor, and Dwight Brothers

Advisory Committee Present: Marty Leeke, Jerry McCabe, Gerrit Mahsman, Tom Endres, Carolyn Smiley-Marquez, Dennis Miller, Daren Bunn and Lew Phinney

Management Present: Kit Armour and Lisa Vaughn

Absent: Midge Korczak, Chris Maciejewski, Mike Dudick and Fred Rosa

Call to Order

Tom Wood called the meeting to order at 9:02 a.m.

Changes to Agenda

There were no changes to the agenda.

Minutes

There was a change on the minutes to exclude Tom Endres as being present at last Board Meeting. Rob Millisor motioned to approve the minutes of the January 31, 2007 Board Meeting minutes with the change. Dwight seconded the motion and all approved.

Unaudited Financials

Kit discussed the audited financials.

Kit said that Tracey Walters from McMahan and Associates would be at the Annual Meeting to discuss the audited financials. Kit added that in the auditor's letter that the Operating Fund Deficit was \$182,765 that was decreased \$700,000.

Kit said that McMahan and Associates recommended hiring a third party reserve study company for our reserve accounts. Kit added that Amy Hoffman would be looking into different companies and would provide a recommendation.

Tom asked if something was in writing regarding the Operating Fund Deficit plan. Kit said yes that it is scheduled to be paid by 2011 but should be paid by 2009.

Dwight was concerned about using the reserve account funds for the operation funds. Rob said that when we have an operating fund deficit we have to use the reserve account funds.

Tom suggested that we reduce the deficit by 2010 so we can put more money into the reserve funds. Tom added that we could put a cap on maintenance dues at 5%.

Marty responded that we have had this conversation before and we are ahead of schedule on reducing the deficit so we should not be worried.

Kit added that she was not in favor of a maintenance dues cap and then have to do a special assessment to the owners.

The Board wants to pay the Operating Fund Deficit by 2010 and keep the reserve accounts separate from operating funds.

Kit said that monies come into the reserve accounts a couple of times a year. Kit added that once the Operating Fund Deficit is retired the reserve accounts would be fully funded.

Rob said that we should hire an outside company to do a reserve study before next year's budget.

Rob motioned to retire the Operating Fund Deficit by 2010 and commission a reserve study on accounts. Tom seconded the motion and all approved.

Kit discussed the balance sheet and asked for questions.

Dwight asked about the line item "Due To" and if that was due to borrowing money for accounts. Rob answered yes.

Rob announced that Gold Point Lodging and Realty (GPLR) still own 342 weeks and that we are 98% sold out.

Dwight asked who owns the land that Grand Timber Lodge sits on. Rob answered that all owners have a percentage of ownership of the land.

Rob motioned to accept the audited financials. Tom seconded the motion and all approved.

Old Business

Dues Collection Update

Kit said that the delinquency rate was at 2.8%, which is very impressive.

Rob added that \$27,000 is owners current on their mortgage but delinquent in their maintenance dues. These owners are paid in full and we are foreclosing on them because they will not pay dues.

Rob said that we try to get the owners to sign their deeds over rather than foreclosing on them. Once we get the week back, GPLR pays the Homeowners' Dues for the past 6 months and pays 35% of the sale of the week, and then continues to pay the dues until the week is sold.

Rob said that we are being very aggressive with delinquent owners.

The Board will continue to reevaluate the contract with GPLR on foreclosure weeks.

Project Status

Kit asked if there were any questions regarding the Housekeeping or Maintenance reports.

Kit said that we have increased the recycling bins around property.

Kit added that we have replaced almost all of the recliners in Buildings 1-4.

Kit said that we replaced the carpet in the Grand Room with carpet tiles and they look great. In addition, the carpet in Building 5 has been replaced.

Tom asked about the pool and hot tub covers. Kit said that we found out that they do not make enough difference on heat loss for the cost of the covers.

Gerrit asked about the lighting efficiency around the property. Kit responded that we reduced the lighting in the hallways; we had put sensors on the snowmelt and started using florescent light bulbs.

Gerrit said that we should look into module boilers when we replace them. Kit will review that with Dale in maintenance.

Action Item List

- #71 – closed- Kit gave the Board ARDA’s website for more information
- #67 – closed – We have a bulletin Board for owners to communicate
- #66 - closed

Tom said we need to revisit the item of charging guests/owners for wireless.

Kit responded that we could always revisit the item. Kit added that charging for wireless is approximately \$100,000 a year expense for the HOA.

New Action Items

- More detail account for the reserve accounts
- Put funds in secure accounts
- Should we have free internet wireless

New Business

Rules and Regulations

Lottery System

- Schedule one – lottery system instead of having owners call in.
- Four Groups- A, B, C, D
- Next Year – rotate for higher priority.

The online booking opens from December 10, 2007 and closes on January 10, 2008. Owners will put in a minimum of five choices for their week(s).

After January 10th, the system will run and then once the weeks are determined owners can split their weeks.

Tom said that he thinks we should try this system and wanted to commend the management company on the new system.

Kit said that we would start communicating with owners after we have the system in place.

Dennis asked if we are doing this for all seasons. Kit answered that no at this time since we do not have the same issues with other seasons.

The Board approved the new winter booking system

Split Weeks

Rob said that there are two different partial stay systems available.

1. Random sort – once the owner goes into a partial stay the owner cannot book a full week that year.
2. If they have booked a full week, they can only split 30 days before arrival.

Rob added that check in days would either be Sunday, Wednesday, or Thursday.

The Board approved the split week system.

Comments to/from the staff

Tom asked about smoking on the balconies and if we could make some units non-smoking even outside.

There was a room discussion.

The Board is aware of the concerns about smoking out on the balconies and at this time will not make any changes. The issue will be revisited when needed.

Elections

Kit said that we should have a nomination committee for elections.

Lew, Marty, Rob, Tom are interested in being on the committee.

Rob announced that Mike Dudick would like to stay on the Advisory Committee.

Dwight is not interested in being on the Board. John Turner is interested.

Kit said she has bios from interested parties for the Advisory Committee.

Kit announced that we would have a reception in the Lodgepole Bar and Grill after the Annual Meeting.

Recess

At 11:00 a.m., Rob motioned that the Board and Advisory Committee recess until after the Annual meeting. Tom seconded the motion and all approved.

Reconvene

The Board of Directors, the Advisory Committee, and Kit Armour met after the Annual meeting.

Results of Election -**Board of Directors**

President – Marty Leeke
Vice President – Lew Phinney
Treasurer – Gerrit Mahsman
Secretary – Tom Wood
Member – Rob Millisor

Advisory Committee

Marc Block
Daren Bunn
Mike Dudick
Mike English
John Haeck
Chris Maciejewski
Jerry McCabe
Fred Rosa
Carolyna Smiley-Marquez
Dennis Miller
Tom Endres

Next Board Meeting

The next Board Meeting was scheduled for Wednesday, February 13, 2008 at a location to be determined.

Adjournment

Rob motioned to adjourn the meeting. Tom seconded the motion and all approved. The meeting was adjourned at 3:27 p.m.

Minutes Prepared by Lisa Vaughn

