

**TAHOE SANDS TIME SHARE OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
Tahoe Sands Resort
6610 North Lake Blvd., Tahoe Vista
January 21, 2017**

CALL TO ORDER

Roll Call – Establish Quorum

The Tahoe Sands Time Share Owner’s Board of Directors meeting was held on Saturday January 21, 2017 at the Tahoe Sands Resort in Tahoe Vista, California. President Robert Wemheuer called the meeting to order at 9:02 AM and a quorum was established.

Board Members Present

President	Robert Wemheuer
Vice-President	Gary Duignan
CFO	Doug Thompson
Secretary	Norm Allen
Member at Large	Jean Thompson

Others present were Jeff Rose, Maggie Schumacher, Robert Curry, Ernie Baumberger, Krista Leach, and Kay Buty

Pledge of Allegiance

R. Wemheuer, President

GENERAL SESSION

Review and approval of agenda

R. Wemheuer, President

M/S/C to approve today’s agenda as presented. It was agreed that items may be taken out of order.

Introductions

All

Review and approval of Board Meeting Minutes – October 22, 2016 N. Allen, Secretary

M/S/C with 2 abstentions from Board members not present at the October meeting, to approve the October 22, 2016 minutes as presented.

Control sheet sign-off

Board of Directors

The Board signed the Control Sheet.

Public Comment

There were no comments on items not on today’s agenda.

COMMITTEE REPORTS

Sales Report

J. Rose, Management

• **Sales and upgrade update**

Rose reported he will be attending the ARDA conference this spring. There has not been much sales activity given the holidays and inclement weather since the first of the year.

Finance Committee

D. Thompson, CFO

• **2016 Budget Review**

D. Thompson presented the quarterly, monthly, and year-to-date financial reports. Rose noted snow removal costs will likely increase given the heavy snows of the past 3 weeks. Schumacher said the existing truck being used for snow removal will need additional repairs and to support the resort snow removal needs she suggested investing in a commercial-grade tractor that can be used year-round for snow removal and summer projects.

This would also decrease the expense for hired snow removal services. The base price is approximately \$25,000 - \$30,000, plus attachments. Wemheuer suggested an enclosure of some sort may also be needed to protect the equipment.

Schumacher distributed an updated Capital Improvement Projects report. D. Thompson noted the original CIP budget for this year was about \$107,000, which includes a 10% contingency. During the year the Board approved additional requests totaling approximately \$85,000.

Overall, 2016 was a good year financially.

- **Accrual vs. Cash Accounting**

D. Thompson said the change from cash based accounting to accrual will happen this year. McClintock Accountancy (MAC) can assist with the conversion. Rose said he does not want Management to have the responsibility of setting up the Chart of Accounts unless the Board gives specific direction in writing. There has been some confusion when staff has booked items per Board direction, but the accountant gave different direction. Schumacher agreed, saying she is not comfortable setting up the new QuickBooks account for the transition to accrual basis accounting. She feels she has been in the middle of varying Board direction and what MAC suggests. Discussion followed clarifying the concerns and request that either a consultant or MAC set up the Chart of Accounts and new QuickBooks files, including starting balances and other details. **ACTION: D. Thompson will take care of getting the new files and Chart of Accounts set up.**

- **Reserve Study**

D. Thompson reported that the deposit payment has been made. He will propose a policy for Reserves.

- **2016 McClintock Audit Engagement Letter**

D. Thompson presented the Audit Engagement Letter. The cost this year is \$5,900, which is up a bit from last year. Next year, the audit will cost approximately \$7,000 because the accounting will have changed from cash to accrual basis.

M/S/C to approve the 2016 Audit Engagement Letter with McClintock Accountancy for \$5,900.

Facilities, Safety and Maintenance Committee J. Pudewell, Committee Chair

- **Safety issues**
- **Maintenance issues**
- **Accomplishments 2016**
- **Follow-up from previous reports**

Schumacher presented Jeff Pudewell's written inspection summary for 5/21/16 and 12/10/16 for the 200s, 300s, and 400s. Pudewell is satisfied that all issues identified are being resolved in a timely manner.

Renovation, Improvement and ADA Committee

Norm Allen will contact those people who have shown an interest in serving on this Committee.

- **300's Deck update**

Schumacher reported dollars allocated for 2017 were spent on decks in 2016 because there was an opportunity to get the work done. Units 306, 307, and 309 have been completed. Units 308 and 311 are scheduled to be done this spring.

- **Hearing Impaired discussion**

Schumacher asked that funds budgeted for in 2016 be rolled over to 2017. She is still doing research on what is required for a units. She is hoping to find a cost effective and fairly simple solution.

- **Landscape Plan**

Schumacher reminded the Board of the discussion at the last meeting regarding a landscaping plan for the quad. She has contacted some landscaped architects and High West Landscape Architects is very interested in the project. They discussed doing a simple plan for the quad or a master plan for the whole property that could be implemented in phases and include signage and BMPs. Schumacher is meeting with them again and will have 3 or 4 options to present to the Board in March.

- **300's Renovation Building Update**

Rose reported on the proposals he's received and described the approval process with the County and TRPA. Discussion followed regarding design and components of the proposed building, as well as the need to have professional assistance moving through the approval process.

M/S/C to direct Management to retain Leah Kaufman at a cost not to exceed \$8,000 to have preliminary design work done on the 300s renovation.

- **3-5 year Implementation Plan review**
- **ADA Implementation Plan review & Signage discussion**

Schumacher distributed both plans. She asked the Board to consider whether or not the expense for the lobby remodel should be booked to ADA or just the front counter area. The kitchen area would then be booked to Capital Improvement Projects. There was agreement that whatever lobby renovations address ADA needs should be booked to that line item.

The Reserve Study will support in creating the 3-5 Year Implementation Plan. Schumacher will work with the Strategic Planning Committee to address items in the next few years.

Strategic Planning Committee

J. Thompson, Committee Chair

- **Property Inspection update**
- **Action plan**

J. Thompson reviewed the Property Inspections. The Committee is waiting for more information on the 300s Renovation in order to continue upgrade recommendations.

Capital Improvement Projects

M. Schumacher, Management

- **Report on 2016 Expenses**
- **Request for 2016 Funds moved to 2017**
- **New requests**

Schumacher noted 2016 allocations that should be moved to 2017 including ADA upgrades, phone lines, and furniture. Windows and the lobby kitchen were budgeted for 2017, but done in 2016 because of timing and favorable bids.

M/S/C to transfer \$9,175 from the 2016 CIP budget to 2017 for furniture replacement, phone lines, and ADA upgrades.

ACTION: Schumacher will investigate options for purchasing a tractor that can be used for snow removal. If Schumacher finds the right equipment for the right price, a teleconference Board meeting will be convened to authorize the purchase.

Discussion followed regarding maintenance needs, including addressing the "step" near the sliding glass door in the lobby. **ACTION: Management will address it.**

Nomination Committee

N. Allen, Secretary

- **Committee update**

Allen reported Gary Duignan, Robert Wemheuer, and Doug Thompson are running for re-election for the three Board seats available in the March election.

Insurance and Legal Issues Committee

E. Baumberger, Committee Chair

- **Property Insurance 2017**
- **Law update**
- **Committee update**

Baumberger reported the quotes for the insurance renewal will be presented at the March meeting. He will review correspondence for any potential legal issues.

Policy and Rules Committee

J. Cameron, Committee Chair

- **Comfort Pets**
- **Point System (sales)**
- **Committee update**

A Committee report was not submitted. Schumacher reminded the Board of the request at the last meeting to consider a point system. Management is attending the ARDA conference this year and they will see how others are addressing the issue, given the changes in the industry due in part to demographics of buyers. Schumacher feels that because of the Tahoe Sands location, there is value to staying with weeks, but from a sales perspective there are pros and cons for each system. It allows each owner to determine how they want to hold title.

Member Relations Committee

K. Buty, Committee Chair

- **Committee Update**
- **Annual Meeting Plan**

Buty continues to have correspondence with owners. She is developing a list of people to keep involved in the Work Party, which is scheduled for May 20, 2017. The weeds between the pavers will be addressed.

Wemheuer asked what follow up is done after a Member Interest Form is submitted. He suggested Management may want to let owners know when the form has been given to the Committee chair. A brief discussion followed. Schumacher asked that Management be advised when Committee chairs contact an owner because often the owner calls her and she may be out of the loop. There was direction to include Management in communication.

NEW BUSINESS

Correspondence

N. Allen, Secretary

- **Response letters enclosed**
- **Review of any pending correspondence**

Correspondence was reviewed previously and direction given for follow-up. Duignan said only Board members should receive copies of correspondence in order to maintain confidentiality.

Management Report

M. Schumacher/R. Curry, Management

- **Occupancy report**

Schumacher reported numbers last year were very solid and consistent. Although summers continue to be busy, the shoulder season occupancy is smoothing out and numbers remained strong from the end of May to the end of October and picked up again from Thanksgiving to the end of the year. The resort booking partner Leisure Link has been dissolved. The resort is looking into alternative partnerships. People are now booking directly and as a result of on-line searches.

Exchange numbers have been solid. Schumacher explained the challenges with the 12-month scoring period used by RCI if one score falls below minimum. A possible solution is to decline any "special designation" so the scores are less volatile and small changes have less impact. Schumacher noted a number of components and strategies that can be used on the RCI website to increase bookings.

Schumacher reported January will be a good month because of bookings from local utility companies who are bringing in so many workers from out of the area to address issues from the recent storms. Schumacher is

offering a discounted rate for service providers and first responders for them to come back another time. There was a brief discussion on the pros and cons of extending front desk hours.

Leach asked if the new policy for July bookings is helping. Schumacher said now that it has been in place for a while, there is less resistance to the new policy. Weekends in July have been over 90% consistently.

- **Collection report**

Schumacher reported collections fell about \$5,000 short of budget. Given there are not a lot of new sales, those numbers are very good and speak to the overall satisfaction of owners. Resort improvements have definitely contributed to that. Dues this year have been coming in strong and Management will continue to collect as much as possible before using a collections agency.

- **Owner/Customer service report (Internal & External)**

Curry reported overall customer comments continue to be consistent. Maintenance and housekeeping issues are addressed as quickly as possible, unless it has to do with a capital project. A brief discussion followed regarding couches and pull-out bed mattresses.

- **Operational Update**

Curry and Schumacher reviewed staffing changes.

- **Website Update**

Schumacher reported the new website is live. The company she has been working with offered to work through spring to make changes and add some content. Minutes will be posted on the log-in required members-only pages beginning with this meeting minutes. The Member Interest Form will also be available on line. Schumacher is working on a blog as a way for owners to communicate with each other. Updated pictures of the pool and spa, as well as a variety of units with a site map will be posted. Guests will be able to access the comment card on-line. The site is very user friendly and the comments have been positive. Schumacher said the site has Mail Chimp, which will make communications easier. The website is set up with Google Analytics to drive traffic to the site.

Schumacher thanked Jean Thompson, Curry, and Joanna for their help with the new site. A presentation will be given at the Annual Meeting in March.

- **Online comment cards and surveys**

Schumacher would like to develop a comment card on a Kindle that people can complete while standing at the front desk.

- **Social media and online reviews**

Schumacher said there is an increase in how people use social media but one of the challenges is the amount of resources needed for staff to respond as quickly as possible. She asked everyone to use Trip Advisor because volume moves Tahoe Sands up in the listings. Google reviews are more reliable than Yelp, so more focus should be given to Google. Schumacher explained how other social media outlets such as Facebook as being used.

- **Staff update**

Some of the staff came in to meet the Board.

- **Newsletter input**

As people come up with ideas for articles, let Schumacher know.

- **Check-In Packet and process**

Schumacher is working with Joanna and Curry to revise the check-in packets. All that is really needed is an information sheet, not a full packet.

Annual Meeting Plan

The Board considered a new format for the Annual Meeting on March 11 that consists of a general presentation followed by small round table discussions on specific topics. Each table would have 1 or 2 Board members facilitating the discussion and answering questions. Discussion followed regarding the logistics. The timeframe for day will be:

1:30 – 2:30 General Meeting with participants sitting at round tables that will already be set up

2:30 – 3:10 Round table discussions

3:15 – 4pm – Voting results and wrap up

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:25 PM. The next Board meeting is scheduled for March 11, 2017

Respectfully submitted,

Judy Friedman

Recording Secretary

THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS