

**TAHOE SANDS TIME SHARE OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
Tahoe Sands Resort, 6610 North Lake Blvd., Tahoe Vista
January 6, 2018**

CALL TO ORDER

Roll Call – Establish Quorum

The Tahoe Sands Time Share Owner’s Board of Directors meeting was held on Saturday January 6, 2018 at the Tahoe Sands Resort in Tahoe Vista, California. President Robert Wemheuer called the meeting to order at 9:00 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, Mike Hansen, Joanna Bailey, Ernie Baumberger, Bret & Shara Reeves, Krista Leach, and Dominic Chiricosta. After lunch, Jeff & Jennifer Pudewell joined the meeting.

Pledge of Allegiance

R. Wemheuer, President

GENERAL SESSION

Review and approval of agenda

R. Wemheuer, President

Wemheuer asked to include a discussion regarding best management practices (BMPs) to the 300’s Renovation item. D. Thompson asked to add an action item to open a Golden One Credit Union account.

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

Introductions

All

Everyone introduced themselves.

Review and approval of Board Meeting Minutes - October 28, 2017

N. Allen, Secretary

D. Thompson amended the item regarding payment to Frank Mooney. It should read that a request for payment, notpayment, up to \$3,000 was made. In fact, Mr. Mooney has not been paid to date.

M/S/C to approve the October 28, 2017 Board meeting minutes as amended.

Control sheet sign-off

Board of Directors

The Board reviewed and signed off on the Control Sheet.

Public Comment

Chiricosta is staying in 311 and is impressed by the remodeled unit. He asked that the financial report expenses be categorized, noting the report in the most recent Bear Paw. It was explained that the recent issue shows the approved budget. Expenses are broken down in the April newsletter, which reflects the audit. Chiricosta asked if dues may go down when renovations are completed. D. Thompson explained that fees will probably remain the same as upgrades and maintenance will continue. The 3-year increase was part of the contract with Management to insure Tahoe Sands is continually improved.

Leach asked about the documents available to owners online and for clarification on what would be required if a Special Assessment were to be considered. Leach asked the Board to be mindful of Nevada Day weekend, the last weekend of October, when scheduling meetings. She asked the Board to consider reducing rental rates by 25% for owners, instead of the current 20%. Discussion followed regarding her request. **ACTION:**

Management will review options for increasing owner's discount on rental rates. This item will be on the March agenda for Board consideration.

Later in the meeting, Chiricosta suggested a work-out room. Discussion followed regarding possible locations and getting exercise equipment donated.

COMMITTEE REPORTS

Sales Report

J. Rose, Management

- **Sales and upgrade update**

Rose reported Hello Vacay has closed 40 sales since September. Four more are pending from North Shore Resort Realty, Inc. He is optimistic about future sales. Discussion followed regarding the conversion of remaining right-to-use sales done 30 years ago, the last of which expire in 2018. There are about six units left to be converted. Some owners actually paid an additional year of dues rather than converting.

Finance Committee

D. Thompson, CFO

- **2017 Budget Review**
- **Committee Update**

D. Thompson presented the unreconciled financial reports as of 12/31/17. Schumacher said she still has some updates to add.

D. Thompson reviewed the Capital Improvement Program budget. Originally, \$172,507 for projects was approved for 2017. During the year, approximately \$87,800 was added. Currently, the CIP is under budget by about \$43,000 in project expenses, but D. Thompson recommends rolling much of that into 2018 as those projects, including decks, are completed. He explained that 10% of maintenance fees are allocated to Reserves, which can fluctuate depending on CIP projects. The goal is to continue building the Reserve account.

D. Thompson reviewed the Year to Date summary comparing 2016 with 2017. He clarified specific revenue and expense line items and variances, noting 2017 ended very close to budgeted targets.

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

- **Safety issues**
- **Maintenance issues**
- **Accomplishments 2017**
- **Follow-up from previous reports**

Pudewell distributed the December 9, 2017 Committee Inspection Report, which included the 200s, 300s, and 400s. There were no glaring issues, but smaller items were noted. Pudewell compared this report with the December 10, 2016 report and only two issues were on both reports. One was the deck on 402, which may not need to be replaced and the other was the carpet in 404. Discussion followed as the report was reviewed.

ACTION: Rose will prioritize windows that need to be addressed so the budget can be adjusted accordingly. It was noted that when the decks on 402, 403, and 406 have been replaced, all decks will be new. That should be done in the spring. Pudewell said another inspection will be done prior to the March Board meeting.

Renovation, Improvement and ADA Committee G. Duignan, Committee Chair

- **Deck update**

Duignan noted the last three decks (402, 403, and 406) will be replaced this spring.

- **Landscape Plan and BMP Discussion**

Schumacher presented two proposals from landscape architects to complete BMP plans so construction drawings can be done. Rose noted these are only for the lakeside. Rose and Schumacher explained the TRPA requirement that no run-off from the mountainside or lakeside gets into the lake. Drip lines around the

buildings, swales or channel drains, and some vaults help hold stormwater. **ACTION: Management will investigate costs for getting landscaping and BMP plans for the mountainside.** Discussion continued regarding the work to be done and costs.

M/S/C to allocate up to \$32,000 to get landscaping and BMP plans for the lakeside according to the proposals submitted. Tahoe Sands will retain ownership of the plans.

- **300's Renovation Building Update and BMP Discussion**

Rose updated the group on the pre-development meeting held in November with Placer County, TRPA and other agencies. He left the meeting feeling discouraged and disappointed that the County's attitude lacked a willingness or cooperation to support a new building being built. That said, there was a discussion about fees. The Board decided not to continue the process given the fees to move forward with no guarantees and the cost for the new building. Rose recommended to proceed with BMPs and landscaping because that will need to be done. Also, Liberty Utilities is going to underground lines and TSTSOA would need to pay for streetscape improvements such as sidewalks and drainage if we proceed for permits before the improvements are completed. All of that could cost approximately \$1 million.

Rose suggested allocating dollars to continue improvements underway. J. Thompson agreed with Rose's assessment of the pre-development meeting and said that at some point, maybe this project can be revisited. Rose said the interior remodel of the three units, including ADA improvements, would need to be permitted. Discussion followed regarding options for moving forward with improvements at the Resort.

- **3-5 year Implementation Plan review**

No additional report was given.

- **ADA Implementation Plan review & Signage discussion**

Baumberger is investigating required signage. Schumacher distributed a spreadsheet indicating ADA improvements done to date. Still pending is the gate and lock to the pool, access to the sauna, the three units proposed to be ADA compliant, and hearing impaired improvements.

Reeves described the investigation he has done into what is required to accommodate hearing impaired patrons and the many variables. Discussion followed regarding what can be done. The "soft packs" that can be purchased for the phones were described. **ACTION: Management will purchase three soft packs that can be given to hearing impaired guests at check in. The packs can plug into the phone system. Staff will be directed on how to contact guests in an emergency. This item has been included in past budgets.**

Discussion continued regarding training staff. Baumberger suggested using online training and documenting when it has been completed. **ACTION: Management will investigate options non-slip options for the tubs and showers, besides the mats in the units.**

There was consensus to separate the ADA Committee from Renovations & Improvements. Bret and Shara Reeves agreed to co-chair the ADA Committee.

Strategic Planning Committee

J. Thompson, Committee Chair

- **Committee Update**

J. Thompson has been waiting for the pre-development meeting in November and direction from the Board. She will advise the rest of the Committee that landscaping and BMPs are moving forward.

Capital Improvement Projects

M. Schumacher, Management

- **Report on 2017 Expenses**

Schumacher noted discussion during this meeting regarding 2017 expenses. There are still some open items, including phones and furniture, which she would like rolled into the 2018 budget

- **2018 Update**

Schumacher reviewed the CIP list for 2018, including \$40,000 for flooring and \$35,000 for decks. Rose is getting estimates for windows and sliding doors. An order for 10 sofa sleepers with newer removal frames will be placed next week. Televisions have been ordered. Schumacher, with housekeeping and maintenance, are going through every unit and will evaluate lighting needs. Appliance replacement is on-going. Schumacher answered questions regarding furniture, flooring, and additional needs.

M/S/C to re-allocate funds from the 2017 budget to the 2018 CIP budget as proposed.

- **Picnic Table Proposal**

Schumacher presented a number of options for new picnic tables, including different materials, price points, and sizes.

M/S/C to allocate up to \$5,000 for five new picnic tables.

- **New requests**

No additional requests were submitted.

Nomination Committee

N. Allen, Secretary

- **Committee update**

Duignan reported he has contacted several people, but no one showed an interest in running for Board seats. Norm Allen and Jean Thompson will be running for re-election. Bret Reeves was appointed as Inspector of Election.

D. Thompson asked if a change can be made to the Bylaws that if there are the same number of candidates as available Board seats, for example, two people running for two seats, can the election just be certified, but not conducted. **ACTION: Baumberger will investigate the options for not conducting an election if there are the same number of candidates as seats available.** If it's possible to make this change, it will be done for the 2019 election.

Insurance and Legal Issues Committee

E. Baumberger, Committee Chair

- **Committee update**

Baumberger reported there are no pending legal issues. Quotes for the insurance renewal should be received in March for renewal in April. Given the recent news, there could be some new information on fire insurance requirements.

Policy and Rules Committee

J. Cameron, Committee Chair

- **Committee update**

Wemheuer asked for clarification on the "no smoking" rules. It was agreed that the rules will be clarified to state "no smoking of any kind" is allowed.

Member Relations Committee

K. Buty, Committee Chair

- **Committee Update**
- **Work Party Weekend**
- **Work Party Room Rate**
- **Annual Meeting Plan**

Buty did not submit a report. It was agreed that Work Party Weekend would be scheduled for May 19. A discussion followed regarding room rates for that weekend, the hard costs of food and housekeeping, and strategies to insure people actually worked.

M/S/C to set Work Party Weekend rates at \$40 per night.

NEW BUSINESS

Correspondence

N. Allen, Secretary

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

The Board went into Closed Session at 2:40 PM to consider correspondence. Open Session was reconvened at 3:17 PM. Direction was given regarding follow-up.

Management Report

M. Schumacher

- **Occupancy report**

Schumacher reported the Board's approval of expenditures have allowed for a lot of accomplishments, both internal and external, in the past year and smoother operations. There have been many fewer after hour calls and complaints, which make for a much better guest experience. Right now, weather and the lack of snow is an issue, although the holiday season was good. Overall occupancy in 2017 was strong, with heavy owner usage. Schumacher described the challenges with working with online companies that offer last minute bookings, given the inability of offer a consistent number of rentals year-round. A brief discussion followed. Schumacher continues to explore options.

Schumacher said there is a large pool of repeat renters. In the spring, she will do a marketing campaign targeting previous renters. Schumacher described strategies to increase bookings and revenues. She suggested increasing the rental rates for lakeside units.

- **Collection report**

Schumacher presented the Collection Report as of December 22, 2017, which was included in the meeting packets. Approximately \$22,000 in dues are delinquent and she does not feel confident in collecting it. When accounts are determined to be "uncollectable" by the collection agency, Schumacher suggested offering owners an option. That said, she usually hears from owners wanting a "deal" just before their account is turned over to collections, but it makes more sense to try to collect the full amount first. The group discussed strategies to collect delinquent fees and possible payment options, noting staff time to monitor it.

- **Owner/Customer service report (Internal & External)**
- **Social media and online reviews**

Schumacher noted the comment cards in the meeting packets. Overall feedback from owners and guests has definitely improved. TripAdvisor reviews are also better. In order to get listed higher than fourth out of the eight listings would cost a fee that Schumacher doesn't feel is worthwhile.

The online comments have been fewer than when paper comment cards were offered, so Schumacher is considering offering a paper option at checkout.

- **Operational Update**

Schumacher reported that with lower occupancy, Maintenance and Housekeeping have been able to get some projects done.

- **Website Update**

Schumacher described the challenges owners have had logging in and how the issue is being solved. All owners were emailed passwords, but if there are questions, Jenny is the point person. All approved meeting minutes, calendars, and newsletters are on the site. Schumacher is hoping to add a property map to the "public page" that includes a description of each unit.

- **Staff update**

Schumacher reported Robert Curry has resigned. Long-time employee Joanna Bailey has been appointed Resort Manager. The transition has gone very smoothly. Schumacher is working on a support system and succession planning. Schumacher and management team will be going into every unit this year to develop a list of every

detail and a binder that lists the needs of every unit.

Discussion followed regarding overall and specific needs. Wemheuer feels that addressing flooring will help with some of the negative comments. Schumacher said that is the next project to be addressed. In March she will have an update with final costs. Discussion continued regarding internet speeds. Schumacher explained the constraints in the system, including the overload during certain high occupancy times. There was consensus that overall internet service has been greatly improved.

- **Emergency Action Plan**

Schumacher distributed the Emergency Action Plan. It will be posted in every unit. Discussion followed regarding the plan and staff training on what to do during various emergencies.

Annual Meeting Plan

Logistics for the March 10 Annual Meeting were discussed. There was consensus that the round-table format last year was very productive and should be done again this year after the general presentations. Details of the presentations were discussed.

AGENDA ADDITION: Action item to open a Golden One Credit Union account.

D. Thompson suggested opening a Term Savings Certificate for \$100,000 for up to 27 months at the Golden One Credit Union. Signatures of two “qualified” people that live within Credit Union boundaries are required to open the account. D. Thompson is suggesting this because there are two accounts that exceed FDIC insured limits. It was agreed that Doug Thompson and Norm Allen would sign to open the account. There was also discussion to open the Capital One Spark Business Account with Norm Allen as the Board representative.

M/S/C to open an account at Golden One Credit Union to purchase a \$100,000 CD for up to 27 months.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 3:23 PM. The next regularly scheduled Board meeting will be March 10, 2018 at 8:00 AM, followed by the Annual Meeting at 1:30 PM.

Respectfully submitted,
Judy Friedman
Recording Secretary
THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS

AS APPROVED,

NORM ALLEN
SECRETARY
TAHOE SANDS TIME SHARE OWNERS ASSOCIATION