



**ARROYO ROBLE RESORT COUNCIL OF CO-OWNERS
BOARD OF DIRECTORS MEETING
MINUTES – APRIL 24, 2024**

This Board of Directors meeting was held in General Managers office of the Arroyo Roble Resort. The Board Members present: President Dave Brown, Sharon Trischan, Tom Canepa, Scott Klarkowski, and Randy McGrane.

Mr. Dave Brown called the meeting to order at 12:01 pm

1. Old Business/Discussion:

- a. There was no old business to discuss

2. Approval of Previous Minutes:

- a. The minutes of the January 17, 2024, Board of Directors meeting was discussed and approved.
 - i) Motion: Accept as presented – Ms. Sharon Trischan
 - ii) Second: - Mr. Randy McGrane
 - iii) Approval: Unanimous
- b. The minutes of the January 17, 2024, Special Executive Session Meeting was discussed and approved with one minor correction to the minutes.
 - i) Motion: Accept as presented – Ms. Sharon Trischan
 - ii) Second: - Mr. Randy McGrane
 - iii) Approval: Unanimous

3. Financial Report:

- a. Mr. Woellmer presented the BOD with the Y-t-D (January – March) financials report. The BOD discussed various G/L Accounts and reviewed the financials.
- b. Mr. Woellmer also presented the Y-t-D Capital Expenditures and discussed the changes in the capital expenditures as a result of finalizing the special assessment (next on the agenda). Mr. McGrane noted that the Balance Sheet was not included in the packet and requested it be a part of the BOD packet. Mr. Woellmer apologized for the oversight and assured the Board that the Balance Sheet will be in all future packets.

4. Special Assessment – Upcoming Changes and Capital Expenditures:

- a. Mr. Scott Klarkowski (Scott) discussed the proposed Special Assessments renovation schedule with the Board. Scott went over all the potential renovations discussed by the board members at the previous meetings and presented a schedule of costs and timeline for the BOD to consider. The items discussed included:
 - i) Cabinet and Vanity repair/replacement in the master bath and kitchens
 - ii) Adding a backsplash in the kitchen area above the counters

- iii) R/R the jacuzzi tub in the MB with a soaking tub
 - iv) R/R the shower doors and potentially refacing the shower walls
 - v) R/R all the interior doors of the villas, including the bi-fold doors.
 - vi) Interior painting of the villa's ceilings and entryway.
 - vii) R/R of various soft goods and replacement of sofa bed
- b. Much discussion ensued regarding the best opportunity for the resort to renovate the above items in the most expedient and financially sound manner in order to improve the homeowner and guest experience of the Arroyo Roble Resort.
 - c. Mr. Klarkowski reviewed the potential items line by line and discussed the pros and cons of each of the potential special assessments and the board members looked at many alternatives.
 - d. Mr. Woellmer also reviewed with the BOD the fact that he was unable to get any local area contractor companies to consider the renovations planned for the resort at any cost as a result of lack of employees and availability.
 - e. After the discussions the Board of Directors decided on moving forward with a special assessment for all homeowners of the Arroyo Roble Resort in order to complete the afore-mentioned renovation items and to replenish the depleted reserve account. This "Special Assessment" will be sent out in June of this year.
 - f. The Board of Directors directed Mr. Woellmer and Mr. Klarkowski to proceed with finalizing the pricing of the potential renovations and to also proceed with renovation of 4 villas this year to use as a showcase for the homeowners to see the new renovations planned. Mr. Woellmer will also have photographs taken of the completed villas to insert into the resort's website and use for a storyboard in the Roca Room for everyone to see the upcoming changes. Mr. Woellmer and Mr. Klarkowski will meet and finalize the renovation of the 4 villas – estimated renovation of August of 2024.
 - g. Mr. Tom Canepa made a motion to institute a "Special Assessment" in the amount of \$975.00 per interval (\$325.00 per interval per year for the next three years starting this year). The initial \$325.00 assessment will be due immediately in June of this year and the remaining two assessments of \$325 per year will be in addition to the 2025 and 2026 maintenance fee billings. (Note: if a homeowner decides to prepay the entire assessment this year, they will receive a \$50.00 discount and the total assessment would be \$925.00 if paid prior to August 1, 2024. The first \$350,000.00 of the special assessment monies received will be used to replenish the reserve accounts and then the remaining amount will be used toward the renovations.
 - h. The motion of Mr. Tom Canepa as noted in (g.) above was discussed and approved.
 - i) Motion: Accept as presented – Mr. Dave Brown
 - ii) Second: - Ms. Sharon Trischan
 - iii) Approval: Unanimous

5. Reservation System Development and Online Public Rental program:

- a. Mr. Woellmer and Mr. Brown discussed the final testing of the online homeowner reservation system which is in the final phase of testing by Mr. Brown and other BOD members. The system seems to be complete and will be available within the next month for implementation. The resort staff is requesting waiting until the initial issues with the public rental program are all resolved prior to making the system available to all current homeowners.

b. The public rental program is now online, and the staff is working diligently with the various vendors involved in resolving issues in the system. We anticipate the glitches to be resolved in the next week or so. March 2024 net revenue to the resort was in the amount of \$31,600 and Mr. Woellmer is confident that we will be able to net the approximately \$200k needed to offset the lost Maintenance Fee revenue as a result of the ~ 200 resort owned intervals.

6. Homeowner Letter:

a. The Board members discussed a letter from a homeowner, Mr. Gorrell regarding dogs on the property. Mr. Gorrell sent the letter to all the members of the Board of Directors. The BOD discussed the letter and did not make any resolution at this time. Discussions will continue in upcoming BOD meetings.

7. Line of Credit:

a. Mr. Woellmer will discuss with our local bankers the potential to have a Line of Credit for the resort as an option if there is any monetary shortfall in the next few years. Mr. Woellmer will report back to the Board at the next meeting with some options.

8. Adjournment:

- a. Motion to adjourn: Ms. Sharon Trischan
- b. Second: Mr. Tom Canepa
- c. Approval: Unanimous. Meeting adjourned at 2:59 pm.

2024 Board of Directors Meeting Schedule

All meetings are scheduled for 12 noon unless noted

Wednesday – July 31, 2024

Wednesday – October 2, 2024

Wednesday - November 6, 2024 – Annual Meeting – 1 pm

Submitted by:

Mr. Ralph Woellmer, General Manager

Approved by:

Mr. Tom Canepa, Secretary