



ARROYO ROBLE RESORT COUNCIL OF CO-OWNERS
BOARD OF DIRECTORS MEETING
MINUTES – JULY 31, 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, and Randy McGrane.

Mr. Dave Brown called the meeting to order at 12:03 pm

1. Old Business/Discussion:

- a. There was no old business to discuss
2. Public Forum: Homeowner Mr. Bruce Murray attended the meeting via Zoom and discussed with the BOD his series of emails with Mr. Woellmer regarding issues with the special assessment and operation of the resort. The BOD members discussed all the items brought up by Mr. Murray. Much discussion ensued and Mr. Murray was given ample time to express his opinions and options for improvements. All the concerns from Mr. Murray were addressed by BOD members and Mr. Woellmer. Mr. Murray was an observer for the rest of the meeting. Upon Mr. Murray's departure from the meeting, the BOD members asked that a Public Forum section be added to future agendas and the forum be limited to 5 minutes maximum per participant.

3. Approval of Previous Minutes:

- a. The minutes of the April 24, 2024, Board of Directors meeting was discussed and approved as presented.
 - i) Motion: Accept as presented – Ms. Sharon Trischan
 - ii) Second: - Mr. Tom Canepa
 - iii) Approval: Unanimous

4. Financial Report:

- a. Mr. Woellmer presented the BOD with the Y-t-D (January – June) 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 reviewed the upcoming renovations of 4 villas. See Section 5.

5. Special Assessment – Upcoming Changes and Capital Expenditures:

- a. Mr. Woellmer discussed the upcoming Special Assessments renovation schedule with the Board. Mr. Woellmer noted that he and Mr. Scott Klarkowski reviewed all of the items discussed in the April meeting as well as some changes needed as a result of finalizing details of the renovations of the test villas. The villas will be completed during the month of August and there may be some “unknown or unanticipated” costs as the

renovation are being completed. Mr. Klarkowski and Mr. Woellmer will consider any issues as they arise and make appropriate decisions based upon the overall desire of the BOD'd direction for the renovation.

- b. While the special assessment funds are being collected, they will be deposited into the resorts working bank accounts along with a sweep account with the resorts Mutual of Omaha account. The Mutual of Omaha banks sweep account spreads the funds out thru various banks to ensure the resort has the money 100% FDIC insured per the CCR's. When there are enough funds in the special assessment collections, the reserve accounts will be replaced at the approved \$350,000 in short term CD's. The rest of the special assessment funds will be held in the operating accounts as mentioned above.
- c. Mr. Woellmer reminded the BOD members that the resort is still working with short cash flow as a result of the previous three years of maintenance fee (MF) collections being short (Waypoint situation discussed at previous BOD meetings). As a result, the resort will be short operating funds at the end of year and maybe into next year while the rental program continues to develop and bring in extra revenue. The special assessment monies collected will alleviate the immediate cash flow issue and we anticipate additional revenue income prior to the end of the year with the following:
 - i) Maintenance Fee billing for 2025
 - ii) Rental Program income (~\$200k in 2024)
 - iii) Special Assessment 2025 income
- d. Mr. Woellmer is in the process of attempting to get a line-of-credit for the resort with Chase bank, however at this time the process is not a viable option. This is because of the cash flow issues mentioned above. Mr. Woellmer will continue to look for other options and possibly maybe a construction loan as well. A private note is also an option if needed.
- e. Mr. Woellmer and Mr. Brown discussed the final portion of testing is being done on the online homeowner reservations system. The system looks like it will be able to be live within 2 - 3 weeks. Mr. Brown developed an online procedure manual which will be available on the resort website and every homeowner will be sent an email with the information announcing the start of the reservations system along with a short tutorial on how to log in and make a reservation.
- f. The public rental program has been producing anticipated revenue to date. From the end of February to the end of June, approximately \$100k of net revenue has been received and this money is being used as an offset for the uncollected MF for the resort owned inventory. Mr. Woellmer still anticipates that we will reach the \$200k target for 2024.

6. New/Unfinished Business:

- a. Mr. Woellmer discussed the upcoming BOD elections and provided the Board members information on three potential homeowners that have expressed an interest in running for a position on the BOD. Mr. Brown and Mr. Klarkowski will rerun as incumbents and Ms. Trischan will reach out to the three homeowners that have expressed an interest in running. Mr. Woellmer will have the final information available at the October 2, 2024 BOD meeting for final approval of the slate for the election. The ballot will be sent out

immediately after the October meeting and final results of the elections will be available by November 1st.

7. **Adjournment:**

- a. Motion to adjourn: Mr. Tom Canepa
- b. Second: Ms. Sharon Trischan
- c. Approval: Unanimous. Meeting adjourned at 1:39 pm.

2024 Board of Directors Meeting Schedule

All meetings are scheduled for 12 noon unless noted

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