

GRAND LODGE RESORT II (EAST) HOMEOWNERS ASSOCIATION

Grand Lodge East HOA Special Board Meeting Minutes

September 12, 2023 4:00 PM – 5:00 PM (MT)

Attendance: The following Directors were present and acting:

Salih Varoglu	President	Term 2022 - 2025
Matt Halvorson	Vice President	Term 2020 - 2023
Carla Cole	Secretary	Term 2022 - 2024
Martyn Cooper	Treasurer	Term 2022 - 2025
Lee Rosenbaum	Board Member	Term 2021 - 2024

Call meeting to order and establish quorum

- ☐ Salih Varoglu called the meeting to order at 4:12 pm and established a quorum with 5 out of 5 Board Members present.

Topic of meeting is GLE Budget for next year.

Discussions took place about how to allocate the deficit of \$38,145 from current year. The HOA Board believes that it becomes an expense line item in next year's budget. The HOA Board definitely does not want to create a Special Assessment to cover the deficit.

The HOA Board insists we do not go more than 10% over budgeted amounts without prior authorization of the HOA Board. The Board appreciates emergency situations, but other expenses such as Front Desk wages and Cleaning - Common Areas, the Board requires the budgeted amounts to be honored.

The HOA Board also decided to direct our HOA Manager that the Management Fee in our Budget should reflect only the 5% of Operating Expenses, and the 5% for Capital Expenses should be moved to the top of the Budget as an expense line under the CAPITAL RESERVE section. The reasoning for this is to ensure the Capital 5% is correctly applied for projects which are performed and completed in the current year. The HOA Board would like to confirm the HOA has not been charged 5% for any CY projects which were not completed.

The Capital Reserves Projection file from 2022 Annual Meeting shows projects not completed, therefore, needs to be updated. Projects not completed should be removed/pushed to future years. The HOA Board would like to request an accurate file which reflects our pending capital projects for the next year and priorities for future years.

Regarding expenses calculated with "2-5 year average" the HOA Board is not in agreement with this formula for line items such as Utilities-Gas/Propane costs, Trash, Supplies-Pool and Spa and other smaller expenses as they show reduced amounts compared to CY actuals. The board believes we should use CY actuals + 5% for next year's budget.

Regarding Front Desk Labor:

The recent losses of experienced staff at the front desk are very concerning to the GLE HOA Board. We do not support the budgeted funding for more staff, especially more inexperienced staff. Due to the variability of demand for front desk resources by season, and employee retention issues, we prefer steps towards automation regarding the check-in process. It is GLE HOA Board's belief that a new approach needs to be taken with implementation of technology which may include guest self check using iQware's mobile application (or similar) for iOS and Android. Towards this goal, we request a "Technology" line to be added to the Expenses category, starting with a \$25,000 budget amount. The Board believes by installing Self Check-in options, we can reduce the Front Desk staffing cost to \$170,000 in our budget. Technology will ultimately de-stress the guest check in experience for all.

Regarding Cleaning - Common Areas:

The Board is surprised the CY actual has increased around 25%. The HOA Board would like to confirm if the number is correct? For next year, we would like to increase the CY Budgeted amount of \$74,637 with the + 3% merit increase \$2,239.11 = \$76,876.11 and round it up to \$77,000.00. If the trash left in hallways is costing extra expense to Cleaning - Common Areas line, then we need to enforce Grand Lodge Rules to minimize this cost or charge it to owners whose rooms are creating this expense. If it is a different reason, the HOA Board would like to know.

In an effort to investigate more savings regarding utility efficiency, the HOA Board would like to know if we have ever requested an Energy Audit from GCEA or Atmos, and additionally inquired about any rebates which may be possible and applicable.

Adjournment

Motion – Salih motions to adjourn at 5:42 pm.

Second – Carla seconds. **Vote**

– 5-0

Resolution – Motion passes unanimously.

Meeting adjourned at 5:42 pm.

