

**GRAND LODGE ON PEAK 7 OWNERS ASSOCIATION
BOARD MEETING MINUTES**

October 27, 2011

Attendance

Board Present: Rob Millisor and Mike Millisor
Advisory Committee Present: Stan Katz, Jim Cowles, Mike Hedensten, Linda Cole
Management Present: Amy Hoffman, Kit Armour and Peggy Kanetsky.

Absent: Stuart Smith and Rob Matzke

Call to Order

Rob Millisor called the meeting to order at 6:37.

Minutes

Minutes to the June 4, 2011 meeting were approved with no changes, motioned by Mike, seconded by Rob. All were in favor and the minutes were approved.

Changes to Agenda

- No changes

Financials

- Review of Unaudited Financials.
The budget is in much better shape than last year as there are more owners, more revenue and we've budget better as we have some history to go by.
- The Developer subsidy partially covers common area expenses. As not all units are built and sold, the Developers felt it wasn't fair to saddle current owners with the entire cost of the amenities upkeep. This will go away at build out but the actual owners will replace the subsidy.
- Kit will look into the variance for the Unit Cleaning.
- The Insurance variance is a timing issue from when it's billed.
- Common Area Amenities include locker room stock of soaps, shampoos, etc.
- Common Area Cleans will see an adjustment offset from Vail for the cleaning of the Sevens' restrooms.
- Generally speaking for our 3rd year we're gaining some history and learning but are in pretty good shape.

Mike Millisor motioned to accept the Unaudited Financials. Rob Millisor seconded. All were in favor and the Unaudited Financials were accepted.

Budget

- Increases in the dues are because of information coming from the Reserve Study, which we have not had previously. We had been using Grand Timber Lodge as our base of information and Grand Lodge has more sophisticated systems to upkeep.
- Another increase is in the security area as we're covering 7 days a week now instead of 5.

- Administrative Fees are going up 2%. The management company, per the Management Agreement, can increase this fee a maximum of 5%.
- Rob noted that we now have good history to complete this budget and has confidence in it. We're always looking for ways to cut costs and make it even better.

Mike Millisor motioned to approve the budget. Rob Millisor seconded the motion. All were in favor and the motion was approved.

The next step is for the budget to be ratified by the owners. The mailing and proxies will go out approximately November 14th.

Old Business

Dues Collection Update

GL7OA has a 3.2% delinquency rate which is favorable for this current economy. 11-12% is the industry average. We are aggressive with delinquencies in either getting owners to become current and/or reselling weeks we receive back either from foreclosure or deed in lieu.

Project Status

Maintenance:

- Tar spill on the roof is being taken care of by the roofing company.
- A question was raised regarding the time frames for exterior staining. Timeframes vary depending on what side of the building it is and how it is weathering. We stain when needed. Typically every 2-6 years.
- The staircase carpet by Sevens Restaurant was replaced and repaired. Concern was voiced that we'll need to address this issue every spring after ski season wear and tear. This has been taken into consideration in the Reserve Study.

Housekeeping:

- The crystal glassware is breaking easily and housekeeping is looking into different options to replace.

Action Item List

#5 – Investigate penalties for day use parking reservation no shows. Kit

#6 – Relocate key drop off box on south building for easier access. Maintenance

New Action Items

New Business

Reserve Analysis –

The Reserve Study has been completed and reviewed. The final draft will be presented at the January meeting.

Elevator update –

We have switched contracts from Otis to Thyssen Krupp for cost savings and better service.

Operations Restructure –

Kit explained that we have a new structure in place for the Operations Department. Each property now has its own General Manager, Maintenance Manager, Housekeeping Manager and Front Desk Manager. Kit will oversee all of the General Managers and will continue to work with the HOAs. Additionally, Kit will be able to keep abreast of the updates legislatively that effect our properties and HOAs. This restructure will enable there to be more focus on each property's needs. This will allow better service for the properties, the staff, and the owners and will provide a much better guest experience. For Grand Lodge on Peak 7, staff is as follows:

Kimberly Tramontana – General Manager

Dan Seaberg – Housekeeping Manager

Dave Decker – Maintenance Manager

Debbie Turner – Front Desk Manager

The staff is very excited for these changes and happy to focus on Grand Lodge on Peak 7!!

Comments to / from Staff

It was nice to see such nice comments on the CSI Interval International Scores.

Nice job for Interval International noting pet friendly options for guests.

Next Board Meeting

The next Board Meeting was scheduled either Thursday, January 12th at the Barclay Towers or January 19th in Breckenridge. Kit will look into accommodations.

Motion to adjourn meeting was made by Mike Millisor and seconded by Rob Millisor. All were in favor and the meeting was adjourned at 8:06pm

Minutes Submitted by Peggy Kanetsky