

**Tahoe Seasons Resort
Time Interval Owners' Association Board of Directors
Regular Session Meeting Minutes
December 2, 2010**

I. CALL TO ORDER/ROLL CALL

President E.C. van Eckhardt called the meeting of the Board of Directors of Tahoe Seasons Resort to order at 9:04 AM at the Tahoe Seasons Resort. The following persons were in attendance:

Board Members:

E.C. van Eckhardt, *President*
Gary Ransone, *Vice President*
Bruce Bergondy, *Chief Financial Officer*
Adolphus "Doc" Thomas, *Secretary*
Roy Fraser, *Director*

Vacation Resorts International:

Tom O'Brien, *Sr. VP. Of Resort Operations*
Dwayne Baty, *Director of Finance*

Resort Staff:

G. Michael Presley, *General Manager*
Karen Frates, *Assistant General Manager*
Michael Gwin, *Chief Engineer*
Kevin Miller, *Administrative Assistant*

Owners

None

II. APPROVAL OF AGENDA

The agenda was approved as amended.

III. APPROVAL OF MINUTES

MOTION: Gary Ransone moved to approve the September 13, 2010 Board of Directors meeting minutes. The motion was seconded by Bruce Bergondy and passed unanimously. Motion by Doc Thomas to approve the special telephonic meeting held on October 4, 2010. The motion was seconded by Bruce Bergondy and passed unanimously.

IV. Owner Correspondence

One of the Board members received a call wanting to give her interval back to the Association. That call was referred to onsite management. Bruce Bergondy relayed a message from Jake Bercu who relayed a message from an owner that had an issue with the reservation procedure. Management reported that this was a training issue that was dealt with, however Mr. Bercu did not provide the owner's information so that management could

respond to the owner directly.

V. REPORTS

A. Management

1. Operations Manager's Report

Karen Frates summarized Michael Presley's Managers report which covered various topics, including administration, maintenance/grounds; reserve/replacement projects status as well as the occupancy report, internal comment card and the Exchange company comment card scores. A copy of this report will be attached to the approved set of these minutes and filed in the Association minute book.

MOTION: Roy Fraser moved to instruct management to develop a report to be given at the next meeting covering what the Tahoe Chamber of Commerce and the Lake Tahoe Visitors Authority are doing to attract visitors to the Lake. The motion was seconded by Doc Thomas and passed unanimously.

2. Ratification/Approval of Contracts

a. Pitney Bowes (office postage machine)

MOTION: Gary Ransone moved to approve the Pitney Bowes contract as submitted. The motion was seconded by Doc Thomas and approved unanimously.

B. Financial

1. Acknowledgment of Receipt of Financial Materials

Board members acknowledged receipt and review of the monthly financial reports.

2. Variance Report

Dwayne Baty reviewed the October YTD variance.

Board took a short recess at 10:10AM, the meeting was reconvened at 10:20AM.

3. Delinquency Report

As of November 11, 2010 the total number of delinquent owners is 1087 and represents 13.6% of the owner base (8,007). There are 207 Association owned intervals. The combined non-performing total of intervals is 1,294 or 16.2% of the total owner base.

4. Ratification of Reserve Expenses

MOTION: Roy Fraser moved to approve reimbursement of the Operating Fund in the amount of \$74,680.90 from the Replacement Fund for the

following items, additional Foundation repairs, additional work on the front entrance Pavers, a washing machine, 8th floor fan upgrades, PC's for several departments and repairs to the Ansul fire suppression system. The motion was seconded by Bruce Bergondy and passed unanimously.

MOTION: Doc Thomas moved to authorize the transfer of \$188,848.05 for previously approved expenses from the Replacement Fund to the Operating Fund. The motion was seconded by Bruce Bergondy and passed unanimously.

5. Pacific Monarch Resorts Note Payment

Management presented the Board with a recap of monies received to date for the note with Pacific Monarch Resorts. The balance due the Association as of November 9, 2010 is \$449,050.

6. Disposition of Operating Profits to Reserves

MOTION: Bruce Bergondy moved to approve transferring \$250,000 from 2009 profit to the Replacement fund. The motion was seconded by Roy Fraser and passed unanimously.

C. Approval of additional Reserve items

1. HVAC

MOTION: Roy Fraser moved to approve \$6,139.50 from Replacement fund for purchase and installation of equipment to reduce the air duct noise for the 5th and 8th floors. The motion was seconded by Doc Thomas and passed unanimously.

2. Paver Replacement Change Orders

MOTION: Roy Fraser moved to approve \$12,076.20 from Replacement fund for the change orders that were needed for the Paver project. The motion was seconded by Bruce Bergondy and passed unanimously.

3. Request for funds for Front Entrance Design work

MOTION: Gary Ransone moved to approve \$5,000 from the Replacement fund for the design work necessary to improve the accessibility of the front entry doors. The motion was seconded by Doc Thomas and passed unanimously.

VI. OLD BUSINESS

A. CC&R's & Bylaw Modification

Management distributed redline versions of the proposed revisions to the Association's CC&R's and Bylaws as well as an outline of what will be required to facilitate this change. The Board will provide its final input before the March 2011 meeting and finalize their plans to bring this issue up for a membership vote.

- B. Inventory Reconciliation Update
Management reported that they were working with representatives of El Dorado County tax authorities to help retire some of the parcels and create some new parcels to help balance the inventory. Management is hopeful they can get this portion of the project completed in a few weeks.

VII. NEW BUSINESS

- A. None at this time

VIII. OTHER BUSINESS

- A. Owner Concerns and Correspondence
The Board of Directors reviewed correspondence received during the last quarter; no action was taken.
- B. Association Mailings/Review Dates for Next Mailing
The next quarterly Association News is tentatively due out February 1, 2011, which will include the draft minutes from today's meeting, a rebuttal to candidate statements and other newsworthy items.
- C. Future Board Meeting Dates
Monday March 7, 2011, 9:00AM @ TSR
Monday June 6, 2011, 9:00 AM @ TSR
Monday September 12, 2011
Board will discuss the Annual meeting date at a later meeting.

VIII. EXECUTIVE SESSION

After a 15 minute recess, the Board entered into Executive Session at 11 :45 AM, during which the Board approved the September 13, 2010 Executive Session Minutes and addressed personnel and owner issues as well as approved a trade out agreement with Southwest Specialties for some work related to the Paver installation. The Board returned to Regular Session at 12:28 PM.

IX. ADJOURNMENT

There being no further business the meeting was adjourned at 12:29 PM.