



# TOLOVANA INN

## RENTAL POOL

### MEETING OF THE LIMITED LIABILITY COMPANY (402)

April 19<sup>th</sup>, 2023

Remote Meeting

#### **Call to Order**

The April 19<sup>th</sup>, 2023, meeting of the (Rental Pool) Tolovana Inn Managing Members was called to order by Chairman, Daniel Casey at 4:59 PM

#### **Members Present**

Chairman, Daniel Casey; Treasurer, Gary Bauer; Directors, Linda Somner, Sandy Miller and Steve Mozinski.

#### **Members Absent**

Secretary, Debbi Stone and Director, Bob Dedrick.

#### **Others Present**

Doug Nealeigh, Phil Beilke, and Jennifer Rice-Borgerson from Vacation Villages of America, Inc.

#### **Minutes Approval**

##### **March 22<sup>nd</sup>, 2023, Board of Directors and Annual Meeting Minutes**

Sandy Miller **moved** to approve the minutes of the March 22<sup>nd</sup>, 2023; Board Meeting as presented. **Seconded** by Linda Somner and **passed**.

#### **Correspondence**

None to report.

#### **Treasurer's Report – Gary Bauer**

Gary reviewed the draft March 2023 financial statement for the LLC. Income is below budget for the month and year to date. Operating expenses exceed budget for the month and for the year. Repair and maintenance expenses exceed budget for the month and are below budget year to date. Other expenses exceed budget for the month and for the year. Net income is below budget for the month and year to date.

Steve Mozinski **moved** to approve the draft March 2023 LLC financial statement as presented. **Seconded** by Linda Somner and **passed**.

#### **Committee Report**

##### **Interiors Report – Doug Nealeigh for Bob Dedrick**

The scheduled remodels in Building Four are in progress. Orders from Wood Castle Furniture are scheduled to arrive on May 17<sup>th</sup> and orders from Northland Furniture are arriving on May 16<sup>th</sup>. Model units are expected to be available for the Board to tour during their May 22<sup>nd</sup> on site meeting. Doug shared details on the project from his visit to the property on Monday. Flooring and carpet will be installed in nine units.

##### **VVA Report – Doug Nealeigh and Phil Beilke**

Doug reported operating current operating statistics; first quarter has seen a slower than expected start to the year. Weather is still impacting guest traffic. March revenue fell behind prior year and budget by 11%, occupancy by 21%, with Average Daily Rate (ADR) increasing by 12%. April revenue and occupancy are tracking below prior year with ADR ahead by 6%. Year to date, revenue is behind prior year by 18%, occupancy by 22% and ADR ahead by 6%.

In comparison to 2019 (pre-covid) revenue is tracking ahead by \$232,995 or 27%. Doug and Phil have been in touch with other local hoteliers and are hearing similar impact stories for first quarter 2023. Currently, 64% of budgeted revenue has been booked for April. Year to date owner use is tracking in line with prior year. Advance deposits are trailing last year at this time by 12%.

The SurfSand is shutting down its ocean front building for renovations beginning in November, hoping to be completed by December. Stephanie Inn is currently closed due to renovations. Their anticipated completion date is May 1<sup>st</sup>.

Phil continues to work with JaLene and Gabrielle in consolidating room types and the bathroom amenity upgrades are underway and expected to be completed in time for the May on site meeting. Signature Training has been planned for the Front Office staff. Phil expanded on the room type consolidation concept, sales strategies, staff training and streamlined web bookings.

Doug gave an update on the lodging tax increase proposal and his attendance at recent City Council meetings. The City Manager along with the City Council are aiming to increase the TLT (Transient Lodging Tax) an additional 2-2.5% to fund the remodel of the former elementary school into an "Events Center." The meetings have been attended by other local hoteliers and ORLA representatives to speak in opposition to the proposal. Future meetings on the issue with the lodging community are being scheduled. The City is also making plans for a new City Hall and Police Station.

### **Old Business**

#### **FDIC Account Updates**

Doug thanked the Board for their cooperation in completing the documents necessary to open new FDIC insured bank accounts. Daniel will submit the updated documents to Fidelity to proceed with establishing new accounts.

### **New Business**

None to report.

### **Announcements**

#### **Board Meeting Schedule**

Monday May 22<sup>nd</sup>, 2023 – **On Site**

June-August – No Meetings

Thursday September 28<sup>th</sup>, 2023 via Zoom

Monday October 23<sup>rd</sup>, 2023 – **On Site**

Tuesday November 21<sup>st</sup>, 2023 – Budget Meeting via Zoom

Saturday December 9<sup>th</sup>, 2023 – Embassy Suites Washington Square

Wednesday January 3<sup>rd</sup>, 2024 – Budget Meeting via Zoom

Saturday February 3<sup>rd</sup>, 2024 – Annual Meeting

### **Adjournment**

There being no further business, Chairman Casey adjourned the meeting at 5:48 PM.

*Minutes transcribed by Jennifer Rice-Borgerson for Debbi Stone, Board Secretary.*