

McCall Area Timeshare Association
36th Annual Home Owners Meeting
McCall, Idaho
October 14, 2017

The McCall Area Timeshare Association's Annual Home Owners meeting was held at The Club in McCall Idaho on October 13, 2017. Present and introduced were Board Members David Holland, Dick Brotherton, Gary Turner and Holly Apley. Travis Leonard was not in attendance due to a schedule conflict. Also attending was Barrett Lamm, our Accountant, and 8 owners. Board President David Holland convened the meeting at 10:08 AM.

The Proxy notices received were as follows: 153 for the Board, Dave received 4, Dick received 4, Gary received 3, Holly received 3, EA owned units 561, and MATA owned units (board votes) 81, attending owners represented 15 for a total of 814 which satisfies the number required (25% of 1850) for a quorum.

Dave opened the meeting with a short history of how long he has resided in McCall, continuing on with the history of the initial Annual Homeowner Meetings. It was also noted that Dick Brotherton has been a Board Member since 1981 and has knowledge with the history of the Timeshares. In the beginning, the meetings were held at the High School in the gymnasium with large numbers of owners in attendance. It was noted that this year was possibly the smallest number of attendees in MATA history.

Dave then introduced our Accountant, Barrett Lamm. After the traditional joke, Barrett presented the Audit report submitted by our independent auditors Bailey and Co. out of Boise, ID. He then read the "opinion" page which is in his opinion, the most important element of the Audit. In the Auditors opinion, MATA used the correct processes and handling of owner's money in an appropriate manner, with a high level of integrity. He went over the assets, liabilities, revenues and expenses listed on the audit. He then asked if any of the attendees had questions on the Audit. With no questions Joe Hegedus made a motion to accept the Audit into record. Karen Mader made the second and all attendees approved.

The minutes from the 2016 35th Annual Homeowners Meeting were offered by Dick Brotherton. Dave stated that the minutes are posted on the website if anyone had an interest in reviewing them in detail. Kitty Hegedus made a motion to accept as written, Joe Hegedus made a second and the motion passed unanimously.

Board member Spencer Koonz has had some life changes and had submitted his resignation with the hopes of being considered later to be reappointed when his life settles down. The Board at that time needed to appoint someone to fill the term up to the next Annual Homeowners Meeting (10/14/17). Dave went over the bylaws covering the addition of Holly to the Board; Dave stated that Holly and her husband have decided to move to Arizona. Holly was then asked to serve on the board, which she happily accepted. Holly will serve on the board for the next year to fulfill the term that was previously Spencer Koonz's term. The decision to pick Holly is to have someone who, if something were to happen to Dave could step in and have knowledge of the day-to-day operations for any transitional period. Her 8 years as Office Manager makes her uniquely qualified. Dave asked the attendees to be open and give any comments or concerns. Purchasing of equipment for the units was discussed and the information given by Dave was our commitment to buy on sale or discount large ticket items (i.e. Water Heaters, Dishwashers, TV's etc.). This ensures the best use of the money paid for Annual Maintenance. Dave asked the attendees what was happening in their local economies. Jerry Darnall gave some details of his Houston area neighborhood concerning the damage and recovery from the flooding.

Dave carried this topic into the renovation of the C Building, starting a slide show of the renovation to the C Building. Dave went into detail on the processes that occurred on the renovation of the C building. Some topics were the plumbing that was in the wall that needed to be replaced, appliances, granite countertops, lighting, ceiling fans fixtures, garbage disposal, etc. The entire project took 14 weeks to complete. He also discussed the fact that we employed people specifically to do this remodel directly from a contractor during his off season. This saved the association the overhead of having a contractor manage the job. There were also pictures of the French drains that were installed by AVCOA around the C, D and E buildings. The slide show will be available on the website. After the gas fireplaces had been installed in the two bedroom units we had an

exceptionally cold winter. Dave said when he checked the electric bills for the winter our electric bills had actually been reduced rather than the large increase we expected.

In order to save on expenses for 2018 we are in the process of completing projects that we already have materials for and will be prepping for larger projects during the slow seasons to decrease the renovation down time.

It was brought up that Dave will be infusing approximately \$40,000 into the resort. As the developer he feels the need to do his part in keeping the Maintenance Fees as low as possible. However, there will be an increase this coming year of \$35.00 and probably the same increase for each year in the foreseeable future. Labor costs have increased, utilities have increased, firewood has increased, and the master associations are having increases (AVCOA and The Aspens). He stated that there have been no increases for seven years, now it is necessary. We are also in the process of downsizing the resort by consolidating owners into units with other owners thus allowing us to sell the condo units as a whole. This will benefit the resort by having more owner-owned weeks in a unit which means that the owners do not have to carry the unsold weeks.

One owner questioned how the units will be sold and how it was handled. Dave stated that the unit will be wholly owned by the developer so the developer will be the seller. The same owner questioned the handling of the units for rent through Summit. Holly informed them that the office and the office staff will rent MATA owner weeks first. Summit, which is the company who handles the advertising and rental of the developer weeks, do their own pricing and rental schedule. If we have any overflow of rental requests we do work with each other to accommodate. Meaning if Summit has requests for units and does not have any available units they would ask if MATA has any and we would rent that week and pay our owners the rental income. This gives our owners the advantage of Summits online advertising at no cost to our owners.

Future stages of our renovations were brought up and an owner asked when we anticipate the renovation to be completed. A general timeline would be completion in 4-5 years for the whole resort to have been renovated. An owner questioned if we were going to have any further "Special Assessment" and Dave said we do not anticipate any at this time. However, we cannot rule it out as the cost of everything seems to always outpace our revenue projections. An owner suggested visiting hotel renovation auctions to get discounts on appliances or furniture.

Gary presented the Nominating Report. The committee nominated Dick Brotherton for 2 year term, Travis Leonard for 2 year term and Holly Apley for the 1 remaining year recently vacated by Spencer Koonz. Karen Mader made the motion to accept the nominations as presented, seconded by Joe Hegedus, approved unanimously.

The board had previously been discussing rental rates. It was decided that an increase was fitting and would benefit our owners who are looking for rental income. The rate listing will be sent with the Annual Maintenance Fee billing. It will also be on our website.

Motion to adjourn was made by Jerry Darnall and accepted by all. Dave closed the meeting.

Respectfully submitted,

Richard Brotherton
Secretary