

**McCall Area Timeshare Association  
Board Meeting  
Eagle, Idaho  
April 18, 2009**

The McCall Area Timeshare Association Board of Directors Spring meeting was held at the Marriott in Eagle, Idaho on Saturday, April 18, 2009.

Present were Board Members Travis Leonard, David Holland, Dick Brotherton, Gary Turner and Spencer Koonz.

Board President Travis Leonard convened the meeting at 10:10 am..

The October 13, 2008 Board Meeting Minutes were presented and reviewed.

Dave Holland moved that the minutes be approved as presented.

Spencer Koonz seconded the motion.

The Minutes were unanimously approved.

Dave Holland asked to review some items on the October 13<sup>th</sup> Board Meeting Minutes. He asked about the Realtor who had agreed to take listings and whether or not she was still in place. Travis reminded Board members that Shannon Limbert had agreed to take listings on units that owners want to sell and that it had been decided that this was in the best interest of the owners and the best way to dispose of the For Sale by Owner list. He reported that Shannon is still in place and that she recently completed a sale for an owner. The sale was briefly discussed. Travis also reported on some recent instances of owners being scammed by some "timeshare resale companies".

Travis noted the office space area for the use of timeshare owners and guests that was discussed at the October meeting and explained that shortage of funds has not allowed him to proceed with this, but that it will be addressed at some time in the future. Discussion followed and Travis stated that he hopes to have this in place by this time next year.

Wireless Internet access was then discussed. Travis reported that you can find hotspots in most of the Aspen Village units, but that it is spotty in the Aspens units. There is wireless access at The Club. AVCOA looked into wireless access for all of the Aspen Village units, but approximately 60% of the private owners had indicated that they were not interested in wireless access. The AVCOA Board did look into options, but decided that they did not want to proceed with it at this time since there was not a lot of interest among the private owners. Owners can get internet service on their own, but it is not going to be a free service provided by Aspen Village. Dave Holland reported that the telephone company can provide internet on a daily or weekly fee basis and briefly explained his understanding of how this works. Travis stated that he will check into this so that the information can be provided to interested timeshare guests. Other local businesses with wireless access for public use were also briefly discussed.

Travis reported that he has done some checking into occupancy levels in hotels as compared with timeshare resorts and has found that most of the hotels are running at around 30% occupancy while most of the timeshare resorts with which he is familiar are running pretty much at full capacity. He noted that the Aspens and Aspen Village is pretty much on par with the usual and that Spring Break week was the busiest that it has been in quite some time. Discussion followed on several issues including how the timeshare owners and guests affect the local economy, local businesses that have closed,

and the present status of employees at the Aspens and Aspen Village. Travis reported that no employees have had to be laid off or fired and that no employees have left on their own recently. He noted that many service businesses in the area have had to lay employees off and that most have cut wages of the employees that they are able to retain in order to stay afloat. Gary Turner noted that cutting wages leads to service being affected and he felt that keeping wages in line is to a business's advantage if they are able to do so. Fractional ownership development in McCall was briefly discussed. Spencer Koonz stated that the point is that MATA needs to continue to take care of the owners and meet their needs and they will, in turn, continue to pay their maintenance fees and keep coming back. Dick Brotherton noted that he felt that many of the owners are coming to McCall rather than going somewhere else because the costs are less to use the timeshare week they own than to exchange elsewhere and have exchange fees, airfare, etc. to pay in addition to their maintenance fees.

Accounts Receivable and collections were then addressed. Travis reported that collections are very close to what they were last year. He had been concerned that there would be a major increase in unpaid maintenance fees this year due to the economy, but that has not been the case. In April of 2008, April Demand letters representing 154 weeks were sent out. This year, April Demand letters representing 168 weeks were sent out. It was noted that this is an excellent ratio considering there are only this number of unpaid accounts out of 1900 weeks. Dave and Travis explained the collection process. Travis reported that he had checked with some other resorts in Idaho and that MATA's maintenance fees are lower or at par with the other resorts that he contacted. Discussion followed.

The 2008 audit was then addressed. Travis reported that the auditor had found no problems with the accounting procedures and figures. Dave addressed the increase/decrease figures and noted that there had been \$70,000 more spent than was budgeted for 2008. There had been a \$26,000 reserve to go against that, and it ended up that MATA was \$42,000 in the red for 2008. Dave and Travis then explained the reasons for that, including the cement work that was done at the E and Y buildings while the streets were being torn up and drainage issues were being addressed. The slabs in those garages were in bad shape, so it was the right time to replace the slabs in those units. That cost around \$8,000. There was also a special assessment at the Aspens of around \$5,000. These costs had not been passed on to the owners as special assessments and were absorbed by the association. The foreclosure process in 2008 was another big expense and the bad debt write-offs from that were a large part of the final figure. The block sale of the foreclosed weeks from MATA to Travis was also briefly discussed.

Travis reported that usually this time of year, employee evaluations are done and raises are given prior to the beginning of summer. Due to the present situation with the economy, Travis has decided not to give raises at this time and wages have been frozen. Travis reported that a lot of the housekeepers have been requesting extra time to do deep cleaning, etc. Travis has spoken with Louise Gilbert and it has been agreed that the necessary deep cleaning can be done, but that the housekeepers cannot work unlimited hours or drag out what they do to get extra hours. Travis plans to have a lunch for all of the employees and he will explain the situation to them. He will let them know that he will not be able to offer raises this year but will not be cutting wages as many of the other service businesses have had to do. He reported that the present crew is very good and that most of them have been employees for some time. Dave noted that Louise has been with MATA for more than 20 years. Travis also reported that he will still offer the usual Summer Override Bonuses and explained that this amounts to an additional \$1 per hour

for every hour worked by employees who stay through the busy summer months of July, August and September. That bonus is paid at the end of the summer each year. Dave explained that this was started many years ago to alleviate the problem of employees leaving during the summer to work on the fires. The bonus has alleviated that problem and gives the employees something to work toward. Taking care of the employees has always been and continues to be a priority of management.

Travis stated with confidence that by the time the Annual Meeting rolls around in October, MATA will be back in the black. He felt that the wage freeze and fewer employee hours will help. It was also noted that the furniture has now been replaced in the Y Building to complete that project. Expense for furniture replacement in the Y Building for this year will not be anything like the expense from last year for replacement of furniture in all of the other units. It was noted that there will be some expense for the painting project now in process, but that there are no other up-date projects planned at this time.

There was a short break and the meeting then reconvened.

Dave reported that it might take another year to get the funds built back up, but he felt that everything will work out fine.

Travis reported on the new auditor for 2008. Bailey & Company out of Nampa did the 2008 audit and just changing auditors resulted in a savings of almost \$4,000. Randy Leavitt was paid \$6,700 for the 2007 audit and Bailey & Co only charged \$3,100 for the audit for 2008. The fixed costs paid by Brampton Holdings for the weeks Travis owns were also briefly addressed.

Travis then reported on the status of the Sports Club. He provided information on painting and other things that the Sports Club wants to do and noted that they are doing well. Dave Holland provided financial figures and reported that the Sports Center broke even this past year for the first time in its history. Membership, equipment, member surveys and other issues were then briefly discussed. Gary Turner brought up the problem with being able to hear at last year's annual meeting that was held in the Gym at the Sports Center. Travis explained that the meeting will be held in the upstairs room this year to alleviate that problem. There was some additional discussion on the Sports Center.

Travis then reported that a lot has been done in the past three years to up-date the units and that up-dates will be scaled back this year. He has committed to painting all of the one-bedroom units and is replacing the baseboard heaters and putting the thermostats back on the wall where they used to be as the units are painted. The painting project is almost halfway done. Travis invited the Board members to look at the one-bedroom units the next time they are in McCall. Gary Turner asked if the garages in the other buildings might also be up-dated like the ones in the E and Y Buildings were. Travis noted that this is a possibility and will be an additional expense if and when that is done. He gave a brief run-down on the pavement work scheduled for some areas of the Aspen Village this summer as well as costs of the unit painting now in process.

Dave Holland then reported on AVCOA issues and noted that he is on the Board of Directors for the Aspen Village Condominium Owners Association. He noted some areas of disagreement with the Board President and some common area issues. There has been some point of contention as to what "common area" includes and who is responsible

for what with regard to the condominium units. Dave is the Member at Large this year rather than being an officer. Ed Herschberger will not be the President after this year, but Dave wants to get the common area issue clarified to help avoid future problems. Dave requested that the Board approve expenditure for legal fees to have this issue researched. He would like to have Brian McMahan research Idaho Code and draft a letter that Dave can take to the AVCOA Board.

Travis Leonard moved to approve expenditure for legal fees to have Brian McMahan research the "common area" issue.

Gary Turner seconded the motion. Motion carried unanimously.

Dave reported that the stovepipe in the units is around 26 years old and needs to be replaced. He wants to determine who is responsible for the replacement and feels that the pipe from the ceiling up is "common area" and should be AVCOA responsibility. This is one of the "common area" questions that may be answered by the research.

Dates for the rest of this year's Board meetings were then discussed. Dave noted that there are some time constraints for the fall meeting so that information can be gathered and sent for printing in order to get everything done within the required time limits prior to the Annual Meeting. The Walla Walla meeting was tentatively set for August 11, 12, & 13, 2009. The Phone Conference meeting will be scheduled for August 27<sup>th</sup> at 10:00 a.m. The Annual Meeting is scheduled for October 10, 2009, but may need to be moved a week one way or the other depending upon Board member schedules.

Dave Holland stated that he would like to thank Linda Branstetter and the whole MATA staff for what they do. He stated his appreciation. This was echoed by other Board members.

Travis reported that Linda has stated appreciation for the Board's decision to require four weeks notice to bank units for in-house exchange. This is being enforced and is working very well. He noted that office staff is able to get the exchange requests accommodated better and that they appreciate this new policy.

Dave Holland noted that the Board approval of the NASCAR trip to Las Vegas for Linda Branstetter in February should be ratified at this meeting.

Dave Holland moved to ratify the action.

Dick Brotherton seconded the motion. Motion carried unanimously.

There was no further discussion and Dave Holland moved to adjourn the meeting.

Travis Leonard seconded the motion.

Motion carried unanimously and the meeting was adjourned by Travis Leonard at 11:50 a.m.

Respectfully submitted,



Richard Brotherton  
Secretary