

**McCall Area Timeshare Association  
Board Meeting  
Hood River, Oregon  
April 19, 2005**

The McCall Area Timeshares Association Board of Directors meeting was held at the home of Norman and Patty Hukari in Hood River, Oregon on April 19, 2005.

Present were David Holland, Patty Hukari, Dick Brotherton, Sandy & Dorothy Koonz, and Marv Meacham.

The meeting was called to order at 7:10 P.M. by Dave Holland.

The Hukaris were thanked for their hospitality and new Board member Marv Meacham was welcomed.

Dave noted that all Board members were present and asked that the minutes of the October 23, 2004 meeting be read and approved.

Sandy Koonz moved to accept the minutes as read.

Dick Brotherton seconded the motion. Motion carried unanimously.

It was reported that of the 29 M.A.T.A. owned units to be sold, there were only 11 left. The notice for the remaining units will continue to be circulated.

The annual audit report for Fiscal Year 2004 was then addressed. The financial statement was reviewed and Dave noted that the excess of revenues over expenditures for 2004 was a negative \$1,934.00. The total at the beginning of FY 2004 was \$33,205.00, net at the end of the year was \$31,271.00 to the good. Dave explained that this was on a cumulative basis from the beginning of the project in 1981. He explained some of the other portions of the report and it was noted that the bottom line was very good, and that M.A.T.A.'s audit resulted in a clean bill of health.

Pictures of the November fire at Aspen Village were reviewed and Dave reported on the fire and current status of plans for rebuilding the Sports Club. There was extensive review of the on-going discussions and financial issues with the various insurance companies and other parties involved. Dave reported that approximately \$1,500.00 was billed to the MATA credit card for accommodations at Holiday Inn Express for the people who were evacuated at the time of the fire, and noted that he anticipates that the expense will eventually be reimbursed by the insurance company. The Sports Club will be rebuilt, but it may take some time to get everything situated. Part of the insurance proceeds has been paid to Aspen Village and the Association is still working on getting the rest of the proceeds settled and collected. Site clean-up, building costs, replacement cost escalation and other related issues were discussed. Once all the insurance money has been collected, it will be decided what amenities will be included in the rebuilding.

Dave then reported on recent and on-going improvements to the timeshare units including bathroom handrails, new Formica countertops, new Sony flat screen TV/DVD/VCR combos in the two and three bedroom units, and wiring for cable for the old TV's that were moved to the up-stairs bedrooms when the new TV's were installed. Possibilities for new TV's in the one-bedroom units were briefly discussed. One of the three bedroom units at the Aspens is in the process of a lighting up-grade, including a ceiling fan with lights and replacement of other fixtures. Lighting up-grade in the other Aspens units is planned. The E Jacuzzi was completely rebuilt and new local photography has been placed in the one-bedroom units. Relocation of the baseboard heaters in the three bedroom units is underway to move them away from the electrical outlets that are currently positioned directly above the heaters. Shelves have been installed in the office to help with organization of the movies, books, etc.

Dave reported that previous on-site managers Johnny and Heather Rowe have moved out of Unit 124. The unit required painting prior to the arrival of new on-site managers Shawn and Lindsey Nelson. The work has been completed and the new managers are now in the unit and have taken over the on-site managers' duties. Duties and compensation of the on-site managers were discussed.

Other recent improvements discussed included new microwaves in the one-bedroom units and in two of the two bedroom units, new bedding for the king-sized bed in K-53, replacement of stoves in the C building, new refrigerators in two of the units, and replacement of garage windows. Dave reported that he does not want to do much more until Rick Lamm has had time to go over the books and see where everything stands. Rick will have time to work on this now that tax season is over.

Diana Moody's recent resignation and her excellent work while she was with M.A.T.A were discussed. Dave reported that Linda Branstetter was hired to fill the position vacated by Diana and reviewed her qualifications and background.

McCall area real estate was discussed and it was noted that the area is growing rapidly and land prices are high and rising rapidly. It was also noted that the same type of growth is occurring in other parts of Idaho. The proposed new highway between Boise and the Tamarack Resort area and the impact the present growth will have on the area were discussed.

Probable labor, fuel and other cost increases were noted and Dave explained that it is getting more and more difficult to hire help. He noted that he has some loyal employees who have been with M.A.T.A. for some time and the Board agreed that they need to be taken care of. Full-time employees were discussed and Dave explained the current status of those employees and health insurance coverage issues. Employer paid group insurance coverage vs. personal coverage was discussed. Dave explained that he had

checked into health insurance coverage for full-time employees and recommended to the Board that the three current full-time employees be given a wage increase to cover the cost of the Blue Cross of Idaho Health Savings Account coverage that he has been looking into. Brief discussion followed.

Patty Hukari moved that the three full-time employees be given a raise to cover the costs of the health insurance.

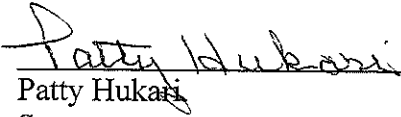
Dick Brotherton seconded the motion. Motion carried unanimously.

Dave then explained that he has also been looking into AFLAC insurance coverage and compared the AFLAC coverage to the Combined Insurance accident coverage that is currently provided to permanent full-time employees. The accident coverage will be changed over to AFLAC coverage and the combined policy dropped.

It was agreed that the next Board meeting would be held in Walla Walla, Washington on August 9, 2005 at the home of Sanford & Dorothy Koonz.

There being no further business, Marv Meacham moved that the meeting be adjourned. Sandy Koonz seconded the motion. Motion passed unanimously.

Meeting adjourned at 8:45 p.m.

  
Patty Hukari  
Secretary

**McCALL AREA TIMESHARE ASSOCIATION  
2005 ANNUAL MAINTENANCE BUDGET**

	COMBINED	AVERAGE PER WEEK	ONE BEDROOM	TWO BEDROOM	THREE BEDROOM	EXEC THREE BEDROOM
<b>Resort Fixed Costs:</b>						
Homeowner fees	\$ 127,351.32 *	68.95	82.03	76.78	62.11	87.39
Property Taxes	40,000.00	21.66	15.65	19.16	24.12	27.69
Insurance	14,000.00	7.58	9.36	9.36	9.36	9.36
Sports club fees	8,640.00 **	21.00	0.00	0.00	21.00	0.00
<b>Total fixed costs</b>	<b>189,991.32</b>	<b>119.19</b>	<b>87.04</b>	<b>105.30</b>	<b>116.59</b>	<b>124.44</b>
<b>Resort Operating Costs:</b>						
Salaries and wages	92,000.00	54.47	52.55	53.21	57.57	61.08
Payroll taxes	7,500.00	4.44	4.28	4.34	4.69	4.98
Worker's Compensation	4,500.00	2.66	2.57	2.60	2.82	2.99
Maid and Unit supplies	14,000.00	8.29	8.00	8.10	8.76	9.30
Repairs & Maintenance	30,000.00	17.76	17.13	17.35	18.77	19.92
Contract Cleaning	9,500.00	5.62	5.43	5.49	5.95	6.31
Vehicle	3,000.00	1.78	1.69	1.69	1.69	1.69
Vehicle Insurance	3,000.00	1.78	1.69	1.69	1.69	1.69
Electricity	61,000.00	36.12	34.84	35.28	38.17	40.50
Telephone	14,000.00	8.29	7.16	7.16	7.16	7.16
Firewood	4,000.00	2.37	2.29	2.29	2.29	2.29
Depreciation	5,500.00	3.26	3.14	3.18	3.44	3.65
Carpet & renovation	50,000.00	29.60	28.56	28.92	31.29	33.20
Replacements	16,000.00	9.47	9.14	9.25	10.01	10.62
<b>Total operating costs</b>	<b>314,000.00</b>	<b>185.91</b>	<b>178.47</b>	<b>160.56</b>	<b>194.32</b>	<b>205.37</b>
<b>Administrative costs:</b>						
Management salaries	26,000.00	15.39	15.39	15.39	15.39	15.39
Payroll taxes	2,000.00	1.18	1.18	1.18	1.18	1.18
Property mgmt fees	60,000.00	35.52	35.52	35.52	35.52	35.52
Accounting & Legal	14,000.00	8.29	8.29	8.29	8.29	8.29
Office supplies	4,500.00	2.66	2.66	2.66	2.66	2.66
Office phone	4,000.00	2.37	2.37	2.37	2.37	2.37
Printing	2,000.00	1.18	1.18	1.18	1.18	1.18
Postage & freight	3,000.00	1.78	1.78	1.78	1.78	1.78
Annual meeting exp	2,200.00	1.30	1.30	1.30	1.30	1.30
Trustee expenses	2,500.00	1.48	1.48	1.48	1.48	1.48
Repairs & Maintenance	1,000.00	0.59	0.59	0.59	0.59	0.59
Interest	6,000.00	3.55	3.55	3.55	3.55	3.55
Taxes	30.00	0.02	0.02	0.02	0.02	0.02
Miscellaneous	1,000.00	0.59	0.59	0.59	0.59	0.59
Depreciation	2,700.00	1.60	1.60	1.60	1.60	1.60
Contingency reserve	6,000.00	3.55	3.55	3.55	3.55	3.55
<b>Total admin. costs</b>	<b>136,930.00</b>	<b>81.07</b>	<b>81.07</b>	<b>81.07</b>	<b>81.07</b>	<b>81.07</b>
<b>Total</b>	<b>\$640,921.32</b>	<b>386.17</b>	<b>346.58</b>	<b>366.94</b>	<b>391.97</b>	<b>410.89</b>

**ADJUSTED MAINTENANCE FEES**

\* See Homeowners Fees breakdown

\*\* The Aspens only

\$347      \$367      \$392      \$411

**McCall Area Timeshare Association**

**Homeowners Fees**

**Fixed Cost Maintenance Fee Breakdown**

2004

		Aspen Village			
		Aspens Three bedroom	1 Bedroom	2 Bedroom	3 Bedroom
A	Number of units	9	12	16	1
B	Billable owners	443	576	778	50
1	Base Rate Per Unit	229.00	235.00	298.00	351.00
3	Cable	12.53	inc.	inc.	inc.
4	Managers Res. #	7.84	7.84	7.84	7.84
5	Office ##	5.29	5.29	5.29	5.29
6	Fees per unit per mo	254.76	248.13	311.13	364.13
7	Annual exp per unit	3,057.12	2,977.56	3,733.56	4,369.56
8	Annual expense	27,514.08	35,730.72	59,736.96	4,369.56
9	Fixed cost per week	62.11	62.03	76.78	87.39

#\$3576 divided by 38 units

##\$2412 divided by 38 units