

**McCall Area Timeshare Association  
Board Meeting  
Walla Walla, Washington  
August 13, 2008**

The McCall Area Timeshare Association Board of Directors meeting was held in Walla Walla, Washington on August 13, 2008.

Present were Board Members David Holland, Dick Brotherton, Travis Leonard and Gary Turner. Also present was Candice Leonard.

Board President Dave Holland convened the meeting at 8:50 a.m. MDST.

First item of discussion was approval of the Board Minutes from the April 12, 2008 meeting, which had been provided to Board Members for review prior to the meeting. Discussion included the possibility of the need for a supplemental assessment between now and the end of the year that was discussed at the April meeting. Dave reported that it appears that this will not be necessary and reviewed some facts and figures. Labor costs and current employee situation were addressed. Dave noted that the Board should anticipate an increase in the budget for the coming year.

Dick Brotherton questioned the outcome of the repairs to the roofs and sliding glass doors damaged by the snow load last winter. Dave reported that AVCOA did finally agree to cover the costs and that the repairs have been completed.

Dick also asked about the 3% credit card fee that was approved by the Board and initiated for all payments made by credit card to help cover the fees charged by the bank for credit card processing. Dave reported that there has been little problem with it and that owners have been, for the most part, understanding and cooperative with regard to the credit card fees.

There was brief discussion on the foreclosure unit sale notice sent to owners by email, units sold and status of remaining foreclosure and Developer-owned units being purchased by Travis Leonard now that he has taken over after Dave's retirement. Ceiling repair in the MATA office due to damage from the snow load was also reviewed and it was reported that AVCOA also covered the cost for those repairs. There were no other items from the April meeting minutes brought up for discussion.

Dick Brotherton moved to approve the minutes of the April 12, 2008 meeting. Travis Leonard seconded the motion. Motion carried.

Minutes from the 2007 Annual Meeting were also provided for Board review, but Dave explained that they did not require approval at this meeting and will be addressed at the Annual Meeting in October.

Election of officers was the next item of business. Dave explained that election of officers usually takes place at the Board meeting after the Annual Meeting, but that since Travis has now taken over the business, Dave recommended that Travis be the President and Dave be the Vice President to fill in if Travis is gone. He explained that banks, businesses, etc. like to deal with the President, so it would stand to reason that Travis should assume that position on the Board to better facilitate handling of day-to-day issues. Dave also noted that Gary Turner has been the Director at Large and that, with the recent passing of Board Member Sandy Koonz, Gary should move up and the new Board Member should be the Director at Large. Dave suggested that officer reorganization take place at this time. Brief discussion followed.

Dave Holland moved to name Travis Leonard as the President, himself as Vice President, Richard Brotherton to remain as Secretary, Gary Turner to be Treasurer and a new member to be named to the Board as the Director at Large.

Dick Brotherton seconded the motion. Motion carried unanimously.

The meeting was then turned over to Travis Leonard as the new President of the MATA Board of Directors. There was brief discussion on Dave's recent retirement and it was noted that the business is continuing and that everyone is adjusting to the changes.

Travis reported that the Management Contract paperwork has been completed. 2007 Annual Meeting Minutes and Audit were reviewed and Dave explained the audit figures. Furniture replacement and up-grades were discussed. There is only one building that does not have new furniture, and that is scheduled to be purchased after the first of the year. Bottom line loss for the bad debts written off on the recent foreclosures and other audit figures and issues were addressed and discussed. The Budget to Actual report through June was also reviewed and anticipated cost increases were discussed. Dave anticipated that there will probably need to be a \$10 to \$15 increase in Maintenance Fees for 2009.

Travis then addressed The Club and reported that it is doing well. He also reported that the sliding glass doors have been replaced in the one bedroom units and that the sliders in the three bedroom units should also be replaced. He suggested that this item be considered in the budget process. Furniture and bedding were discussed and Travis stated that he would like to start painting the interiors of the units sometime in the next year. The possibility of replacing the baseboard heaters with Cadet heaters and flooring options were also briefly discussed. Travis reported that Dave is still helping with title work and Dave reviewed some recent changes that will help with past title problems for future sales and transfers.

The Nominating Committee Report was then addressed. Dave Holland noted that he, Gary Turner and Sandy Koonz were the three Board Members up for re-election. Gary Turner stated that he is willing to serve again, as did Dave Holland. Discussion of the need to elect someone to fill the fifth Board seat due to Sandy's passing followed. Dave explained that an appointment can be made by the Board to fill Sandy's seat until the election at the Annual Meeting, but that the Nominating Committee nominates and the homeowners elect in person or by proxy at the Annual Meeting. Dave explained that the Nominating Committee needs to be appointed by the Board. Homeowners who agreed to serve on the Nominating Committee this year were Kathy Borgholthaus, Dave Hanson and Larry Craig.

Gary Turner moved to appoint these homeowners to the Nominating Committee.

Dick Brotherton seconded the motion. Motion carried.

Appointment of someone to fill Sandy Koonz's seat was briefly discussed. Gary Turner asked if Spencer Koonz might be willing to fill the seat and Dave Holland reported that Spencer has indicated that he would be willing to do so.

Gary Turner moved to appoint Spencer Koonz as Director at Large to finish Sandy Koonz's term on the Board.

Richard Brotherton seconded the motion. Motion carried unanimously.

After some discussion, it was noted that the appointment and subsequent election of Spencer Koonz to the Board is contingent upon Spencer being added as a co-owner of a unit with Travis.

Travis briefly addressed discussion at the last meeting to look into combining the April meeting next year with an industry conference with ARDA. The conference is held in the Rockies one

year and in Florida the next. It will be held in Florida in 2009, so the Board will not be able to attend the conference in 2009 in conjunction with the April meeting. This will continue to be considered when the conference is closer to home.

Travis then reminded those present of the telephone conference scheduled for August 21, 2008 at 11:00 a.m. to discuss and finalize the budget for 2009 and noted that it does not allow much time to get everything together. Options for getting the information to all of the Board Members were discussed. It was also noted that the Annual Meeting is scheduled for 10:00 a.m. on Saturday, October 13<sup>th</sup> at 10:00 a.m. and will be held at The Club this year.

The MATA pickup was then brought up for discussion. Travis explained that Dave would like to purchase the pickup from MATA and that he is working on purchase issues with the Accountant. Travis reported that the Blue Book figure he had found for the vehicle was around \$6,000. It was asked if the pickup would need to be replaced by another vehicle. Dave explained that the agreement when he took over management was that he would donate his VW van for use on-site and in return MATA would provide him with a vehicle and cover all maintenance and repair costs. Travis has been using his Land Rover, so Dave would like to purchase the pickup from MATA and have Travis continue to use his Land Rover as the MATA vehicle. He suggested that MATA pick up the expenses on the Land Rover since it will be used as the MATA vehicle.

Dave then moved that MATA pick up the expenses on Travis's Land Rover as has been done in the past for the resort vehicle.

Dick Brotherton seconded the motion. Motion carried.

Travis asked if there were any objections to Dave purchasing the MATA pickup. There were no objections and it was agreed that a price will be set and paid. Travis explained that the pickup will still be available for MATA use if needed for moving items, etc. Travis also explained that Dave will be the second man on call so that there will be someone available for emergencies if Travis is not available. He suggested that Dave's cell phone costs continue to be covered by MATA since he may need to be contacted for MATA issues and will still be helping out.

Dick Brotherton moved that Dave's cell phone continue to be covered as Travis deems necessary.

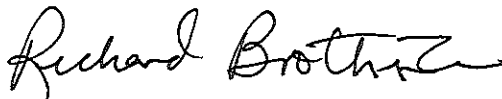
Gary Turner seconded the motion. Motion carried.

There being no further items brought up for discussion, Dick Brotherton moved to adjourn the meeting.

Dave Holland seconded the motion. Motion carried.

Meeting was adjourned by Travis Leonard at 10:10 a.m. MDST.

Respectfully submitted,



Richard Brotherton, Secretary