

**McCall Area Timeshare Association
Board Meeting
McCall, Idaho
October 18, 2003**

Dave Holland called the meeting to order at approximately 3 p.m. at the home of Dave and Carol Holland. All board members were present.

The first item of business was to review the minutes from the last two meetings, including the board meeting in August in Walla Walla, and the phone conference in September. Patty Hukari made a motion that the minutes from the board meeting in Walla Walla be accepted as presented. Motion seconded. Motion carried unanimously.

Dick Brotherton made a motion that the minutes from the September phone conference be accepted as presented. Motion seconded and carried unanimously.

Dave noted some recommendations that were made during that annual homeowners' meeting earlier today. Most of them related to the Aspen Village. One was the missing shrub next to the E-building and also the dumpster just across from the E-building. Dave said he will bring up these issues at the next Aspen Village board meeting. The AVCOA board is very responsive to these kinds of suggestions.

The lady who complained about the rattling refrigerator owns a week in E-13. Dave said he had a gentleman approach him after the meeting who said there are some springs inside the compressor that might be adjustable and fix the rattling problem with that particular refrigerator. As far as mattresses go, Dave said we'll buy more mattresses and continue replacing them as needed.

Dave noted that we haven't had a lot of complaint letters this year. He mentioned one letter in particular in which the owner stated that he remembered his timeshare salesman telling him that some time in the future the timeshares would be converted to wholly-owned units, sold and the money divided among the owners. Basically, he wondered when that would happen.

Dave did some research and found that according to Idaho law, you have to set a date some time in the future when the timeshare owners are given the option to decide if they want to continue on with the timeshares or bail out on the whole program. Apparently, the year 2030 was set as the date for that decision, which will happen at the annual homeowners meeting. Dave said he wrote to the owner with the results of his research. He thought it was an interesting issue.

Dave mentioned that lately we've been dealing with a lot of situations in which a spouse passes away and the names on title have to be changed. The new fifty-five dollar transfer fee really helps offset some of the work involved with this.

Dave wanted to share some observations about his recent experience attending the CARE conference in Palm Springs. He said it was really an eye-opener. The industry has really come a long way. There's a lot of big money influencing the industry. Since the Marriott and Disney have gotten in on this they've really been promoting the point system. In fact, they're pushing timeshare owners to deed their weeks to the big companies in return for points.

Dave said he really noticed how much the resorts cater to their customers these days. Most of the resorts are set up with "gathering areas," with bars at one end and fireplaces at the other end and seating areas all around. Dave said they have people whose only responsibility is helping the guests and making sure they're entertained. One place he stayed they had a poolside barbeque and a kids' hour. Dave wondered if we need a PR person some time in the future. He said we are consistently marked down in the area of organized activities.

Dave mentioned an interesting study the timeshare industry did that showed that people exchanging have a heightened anxiety because they're afraid they won't be recognized when they get to their destination, especially if they're traveling internationally. He said that when we receive confirmations from the exchange companies we don't get the incoming guests' addresses or phone numbers. If we did, we could mail out a card confirming their reservation and that could alleviate some of the tension. Of course, that would involve added mailing costs. This study also showed that even a phone call to the resort confirming the reservation doesn't help that much.

Patty asked if Dave was still doing the Tuesday morning welcome. Dave said he only does during summer because it's held outside. Patty observed that we don't have a facility where we could have group activities. Dave said approximately 30% of our guests each week are exchanging in. He really feels that a PR person could help boost our ratings. That would help our homeowners exchange into the premier resorts. Bill recalled that he used to have a guy who came around in western garb with a horse-drawn wagon who took people out for a ride from 7- 9 pm. When they returned, Bill and Lavina would have hot chocolate for them. He said they did that out of desperation because there was so little to do in McCall. It was very well received. Bill also said the bus used to go around and pick up people and take them to the ski hill.

Brundage Mountain just started their shuttle service again last winter. Dave said with Tamarack going in now it will be interesting to see how the dynamic between that resort and Brundage works out. He noted that Brundage just got their approval to expand and add five more chairs.

Patty said if we go into this we have to hire someone who is really into this kind of stuff. The other board members agreed. She thinks a pavilion between the big outdoor pool and tennis courts would be perfect for summer activities.

Sandy wondered about winter activities. There's skiing and snowmobiling but the new ice rink is really a big draw with world class skaters.

Dave feels that another thing to keep in mind is that a lot of people, especially from the cities, come to this area and they're scared. They think they're in the wilderness. Dave said a tour bus would be a great idea. Take them up to Warren and Burgdorf and talk about the history etc. The board thought that sounded good. Of course, there would be a charge for all this.

Sandy asked how Dave's exchange company is doing. He said it's doing well. He's meeting lots of new people. He met the man who owns the timeshare resort at Fairmont Hot Springs. He and his wife just bought one hundred and fifty-three villas and an 18-hole golf course in Hawaii. That will be his next timeshare resort development.

Sandy asked how often these seminars are offered. Dave said about every six months and that he'd like to attend at least once a year because he learned so much.

Dick asked what the first step will be in getting a PR person on board. Dave believes it starts here, with discussion. One of these days we will have to put in a line item for that expense. Dave remembered when we did the first \$100 special assessment the homeowners were livid but they loved everything we did.

Dave said he met a lady yesterday who owns five weeks in 5-crown resorts. Her maintenance fees are close to \$700 per week. Dave reiterated that we are not that kind of resort but rather a mountain resort but still we have to keep up with the times.

Dave proposed that in the 2005 budget we include a line item for a PR person in the amount of \$20,000. Dick asked if that would increase maintenance fees. Dave said it would. Dave asked how the board felt about this. Patty feels that it's a good idea. Sandy asked what timeframe Dave is working toward for this new person. Dave said he'd like to start in 2005. All agreed.

Dave said it wouldn't be a full-time job but would require someone gifted in that area. Dave asked Bill how he feels about this. He said he thinks it's a great idea. In the past these kinds of things have been done by the marketing departments and the developers but now it's up to the associations.

Moving on to the budget-to-actual report, Dave noted that the reserve for prior losses line item is about \$20,000 but we'll recover that as we sell those weeks. The way the market is going we should be able to sell quite a few MATA weeks. Basically, we're in good shape on the budget.

Sandy asked how the carpet cleaning is going. Dave said he's doing it now because his sons are back in school. Sandy asked about the employee benefits they'd discussed. Dave said it's loss of employment insurance and was well received by everyone. The board discussed the Life Flight benefit for a few minutes.

The next item of business is renewal of the management contract. Patty made a motion that the management contract be renewed. Dave asked if there was any discussion. No discussion came forward. Motion seconded. Motion carried unanimously.

The next item of business was the election of officers. Dick moved that the officers remain the same. Patty seconded. Motion carried.

Dave then wanted to set the dates for the 2004 board meetings. Patty and Norman usually host it in April and said that was still fine. Dave suggested that the board meetings be shortened to two days instead of three. The board agreed with that suggestion as long as there wasn't business to deal with.


April 13th and 14th was agreed upon for the board meeting in Hood River. The August meeting was set for the 17th and 18th in Walla Walla. The annual homeowners' meeting is always the third Saturday in October, which will be the 16th. The phone conference was set for September 1, 2004 at 2:30 p.m., McCall time.

One more item for discussion: Dave bought a new pool table for D-7 for \$1300. Dave made a motion that the old pool table be donated to Dick's church. Motion seconded. Motion carried.

Dick said he's staying in a one-bedroom unit and the only thing it's lacking is a clock. Patty said she'll buy more clocks for the one-bedroom units.

Sandy made a motion that the meeting be adjourned. Motion seconded and carried. Meeting adjourned at approximately 4:30 p.m.

Respectfully submitted,


Patty Hukari
Secretary