

MINUTES

Rimfire Lodge Condominium Association Annual Meeting of the Members May 30, 2009

The meeting was called to order at 4:00 P.M. Bob Elwood, Director of Association Management, thanked those owners who were present and introduced Board members Ali Carr-Chellman, Bob Hall, Patti Duncan and Snowshoe's Director of Development, J.F. Hodges, as well as Snowshoe staff in attendance. A quorum was established.

BOARD ELECTION

There being no additional candidates, by acclamation Bob Hall and Ali Carr-Chellman were re-elected to their homeowner positions on the Board and J.F. Hodges replaced Patti Duncan as the Commercial Board member. Patti was thanked for her years of service.

FINANCIAL REPORT/BUDGET

Bob E. presented the financial update and the proposed budget by power point as follows.

Through March 2009 (end of fiscal year, subject to auditor's review)

REVENUES

Total revenues right on target

Interest on operating funds below budget by \$800

Late fee income over budget by \$1000

Parking revenue right on budget at \$53,000

EXPENSES

Total expenses over budget by \$37,000

Expenses Under Budget:

Insurance by \$4000

Building maintenance by \$6000 (3 categories)

Cleaning & janitorial by \$5000

Electricity by \$4000

Expenses Over Budget:

Alarm system maintenance by \$5000

Landscaping by \$2600

Snow removal by \$2500

Elevator maintenance by \$3200

Garage repairs & maintenance by \$5500
Water and sewer by \$16,000
Propane by \$11,800

BALANCE SHEET

General Operating Reserve at \$114,000
Maintenance Reserve at \$95,000

ASSESSMENTS RECEIVABLE

Two units over 90 days

Exterior siding, sewer rates and propane are the main contributors to the budget. Accommodations are being made in the budget for the propane and sewer rate increase.

It was recommended to the Board to increase the annual maintenance reserve contribution from \$80,000 to \$100,000, which would have resulted in an increase in residential fees by 18%, but the Board decided on \$90,000, resulting in an average residential increase of 16%.

Bob explained that the previous three years the rate increases were flat for residential fees. Commercial's fee increase was less than residential this year, but was more in previous years. This was due to in which expense categories the cost increases hit the budget.

Keith Slattum gave a summary of the reserve fund investments. Stock market investments were down 30 -35% from last year and Bond funds were down 25%. Last year the decision was made to move funds from the S&P 500 Index fund to the total stock market index fund to take advantage of, not only the largest 500 companies, but also of the small cap and mid cap companies, for diversification. A result of this investment mix was that when the market was down, Rimfire was down less and when the market was up, Rimfire was up more. 10% of the funds were also invested in an international index fund.

Keith stated that YTD, as of May 6, 2009, the 500 Index fund was up 1.99% and the total index fund was up 3.09%. The International fund YTD was up 8.5%. 2003, according to Keith, was the best year for all investments for Rimfire and 2008 was the worst. Over all, Keith recommended investing any excess funds not needed for the exterior work.

The Board and homeowners thanked Keith for his diligent research and sharing this information with the homeowners.

Bob noted that the reserves balances were being carefully watched as they are being depleted to pay for the exterior repairs and staining. If the funds do not hold out, the Board will need to consider a special assessment.

The new budget was approved.

MAINTENANCE UPDATE

Kevin Wingfield gave a PowerPoint presentation on maintenance items that were finished or in progress as follows:

Hearth Room upgrades completed, including security cameras, and, thanks to Ali, new furniture and artwork.

Inspections – elevator, sprinkler system, backflow preventers, and fire extinguishers have been completed.

Common area carpet about to be cleaned at a savings over last year of \$900 by competitive bid.

Lobby slate has been sealed.

Hearth room lobby fireplace electronic ignition conversion experiment has been completed at a cost of \$800, and is working fine. Kevin will speak with the company to determine if the price could be lower if all of the village homeowners would opt for the conversion to save HOA propane and reduce maintenance calls.

Health club equipment preventive maintenance has been completed and it was recommended that the original treadmill be replaced. The owners were asked for input on replacing the treadmill with another one or with an elliptical bike. This will be discussed on the forum.

Hot tubs have had an acid wash and new drain caps have been installed to prevent entrapment.

Garage door now has sensors inside and out to help prevent the door coming down on vehicles and new signage is up indicating a card key must be used to enter the garage every time. The garage has been cleaned.

Spring cleaning has been completed pending the last interior trim staining.

Exterior weatherproofing and staining is the largest expense and is continuing at this time. Kevin anticipates the carpenters will finish the west side within 60 days if the weather cooperates.

AUTOMATIC EXTERNAL DEFIBRILLATOR (AED)

Sam Gibson spoke to the owners concerning the pros and cons of one or more AED's being installed in Rimfire. He recommended the Life Pack that sells a program with the

AED that will maintain and monitor the system. He recommended installing them in areas isolated by key card access, including the lobby, health club and garage. It was decided to not act on this now and to invite a person from the Fire Department to speak at next year's annual meeting to answer questions on the AED's.

HOT TUBS

There was discussion on the pros and cons of covering the hot tubs to save on propane costs. J.F. suggested the hot tub manufacturer should be able to estimate how much propane the hot tub heater consumes. Once that figure is in hand, four options will be studied:

1. Do nothing.
2. Get covers custom made and hire a contractor to place and remove the covers daily.
3. Raise the glass wall around the tubs to keep outsiders out (and which will help prevent the covers from blowing away).
4. Enclose the tubs in a "greenhouse."

OWNERS FORUM

Ali explained that there has been a drop off in owner participation on the forum, possibly due partly to forgotten passwords. It was discussed and decided against dropping the password protection, as that would allow anyone onto the forum. A reminder will be sent to the owners with their passwords encouraging them to log onto the forum.

OTHER BUSINESS

Bob E. was asked to give a brief summary on rental business. He explained that winter was going well pretty much through January, then declined dramatically into February and March. Summer will be filled with events again, with the big GNCC event scheduled for June 26-28. Group business is up by 2000 room nights, while FIT is currently down by about the same amount.

The need for replacement of furniture should be directed to Owner Services.

Ali stated that going forward a homeowner designee will need to review and pre-approve checks each week, and a volunteer is needed. (Later that evening, a homeowner did volunteer)

Door prizes were awarded to those who correctly answered questions pertaining to Snowshoe and its history.

The meeting was adjourned and the homeowners were invited to attend a social in the Rimfire Hearth Room celebrating the 10th year Anniversary of Rimfire.

ACTIONS ITEMS

1. Invite emergency personnel to speak on AED's at next annual meeting. Sue.
2. Seek proposals to cover & uncover hot tubs. Kevin.
3. Get rough pricing to enclose hot tubs. Kevin.
4. Speak with hot tub provider on propane consumption while uncovered. Kevin.
5. Send a "miss you" notice to owners concerning the forum. Ali/Ed/Sue.
6. Post on the forum for a volunteer to review and approve HOA checks. Ali/Ed.
7. Speak with fireplace electronic igniter vender for a lower price. Kevin.