

## **MINUTES**

### **Rimfire Lodge Condominium Association Annual Meeting of the Members June 19, 2010**

The meeting was called to order at 4:05 P.M. Bob Elwood, Director of Association Management, thanked those owners who were present and on the phone. Then he introduced Board members Ali Carr-Chellman, and Bob Hall, as well as the Snowshoe staff in attendance. A quorum was established.

#### **BOARD ELECTION**

There being no additional candidates, by acclamation Bob Hall, J. F. Hodges, and Tom Hartman were elected to the Board. Bob Elwood thanked Ali for her years of service.

#### **FINANCIAL REPORT/BUDGET**

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

#### **FINANCIALS THROUGH APRIL 2010 (preliminary year-end subject to audit)**

NET INCOME EXCEEDS BUDGET BY \$53,000 (excluding special assessment)

#### REVENUE IS ON BUDGET

(excluding special assessment)

- Parking Revenues Below Budget by \$5,000
- Late Fee Revenue Over Budget by \$3,700

#### EXPENSES

TOTAL EXPENSES BELOW BUDGET BY \$52,000

#### EXPENSES OVER BUDGET

- Alarm System Monitoring & Maintenance by \$900
- Snow Removal by \$2,800
- Hot Tub Expenses by \$4,800
- Sprinkler Water Line Damage by \$10,000 (insurance deductible)
- Cable TV by \$3,200 (rate increase)

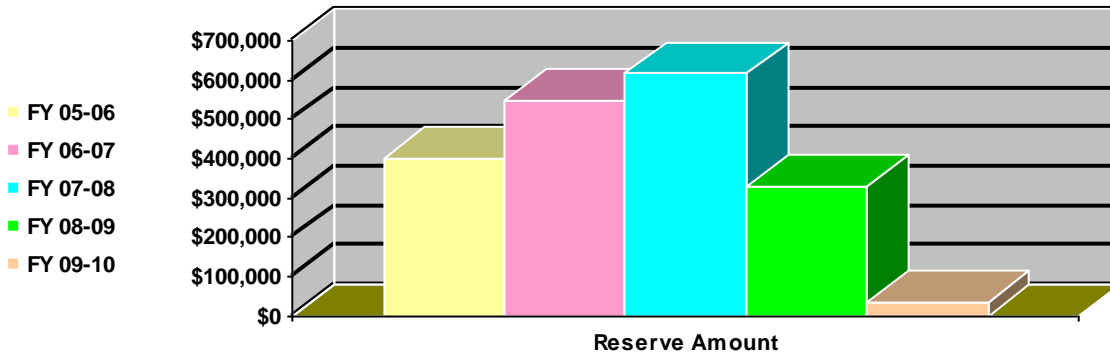
#### EXPENSES BELOW BUDGET

- Various General Building Maintenance Categories by \$13,000
- Hardscaping by \$2,400 (exterior signage, lighting, etc.)
- Insurance by \$4,200
- Legal Expense by \$1,700
- Miscellaneous & Contingency by \$2,100
- Sprinkler Maintenance by \$1,400
- Cleaning & Janitorial by \$8,200
- Electricity by \$2,200
- Elevator Maintenance by \$9,800

- Federal Income Tax by \$9,700
- Garage Repairs & Maintenance by \$4,900
- Parking Lot Expense by \$1,500
- Propane by \$6,000

**BALANCE SHEET**

Reserves at approx. \$40,000



Assessments receivable over 90 days:

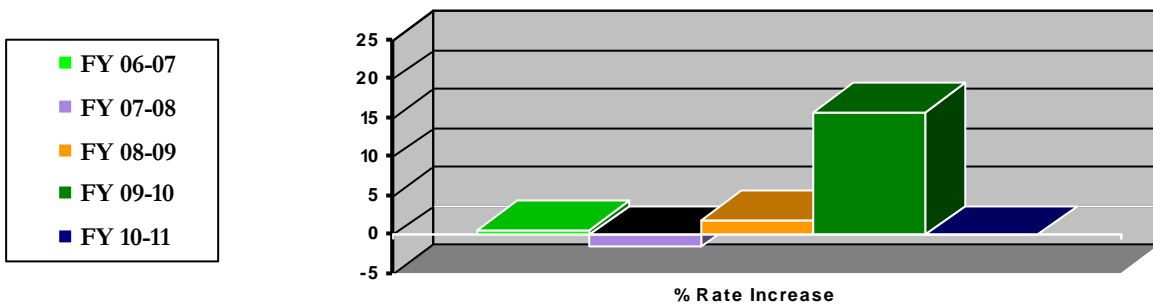
- 22 units of concern

**BUDGET FOR FISCAL YEAR 5/1/2010-4/30/2011**

- Parking revenues reduced by \$5,900
- Bad debt line item added in amount of \$1,000
- Federal income tax reduced by \$1,200
- Safety services reduced to \$0 from \$3,000 (never activated)
- Sprinkler water line damage line item added in amount of \$10,000
- Propane reduced by \$15,000
- Insurance reduced by \$2,300
- Miscellaneous & contingency increased by \$1,900
- Carpet cleaning reduced by \$1,000

ASSESSMENT RATES FLAT

**History of Rimfire Assessment Rate Change**



Average rate increase in residential assessments since 2006-2007 is 3.35%

## **MAINTENANCE UPDATE**

Kevin Wingfield gave a PowerPoint presentation on maintenance items that were completed, in process, or under review as follows:

### Completed:

- Inspections – Elevator / Sprinkler System / Alarm System (Repairs)/ Backflow Prevention (Repairs) / Fire Extinguisher
- Common Area Carpet Cleaning and Slate Sealing
- Health Club Equipment Preventive Maintenance
- Garage Cleaning
- Energy Conservation Efforts – Covering/Uncovering Hot Tub Daily
- South building ice machine replacement
- Ice dam repairs – December 2009
- South elevator floor and ceiling tile repairs
- Various heat system repairs
- Formulated emergency response plans – power outages/elevator failure/sprinkler system activation
- Emergency lighting – Inventory and inspection
- Landscape light replacement – hot tub

### In Process:

- **Exterior Weatherproofing / Staining**
- **Landscaping**

### Under Review:

- **AED Installation**
- **Ongoing emergency lighting inspections**

## **Exterior Stain Project**

Having to deal with a decade of aging. Hoping to be completed within the next 6 – 8 weeks but this all depends on the weather, busy event days, and what they may have to repair or replace.

## **AUTOMATIC EXTERNAL DEFIBRILLATOR (AED)**

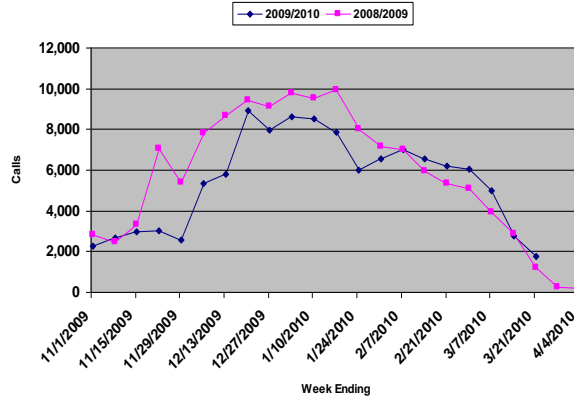
After some discussion, a motion was passed for Kevin to get a comparison and cost for adding one AED in the Rimfire hearth room area installed with the 911 cabinet dialer and in view of the camera and then going with the best option.

## **Rental Update:**

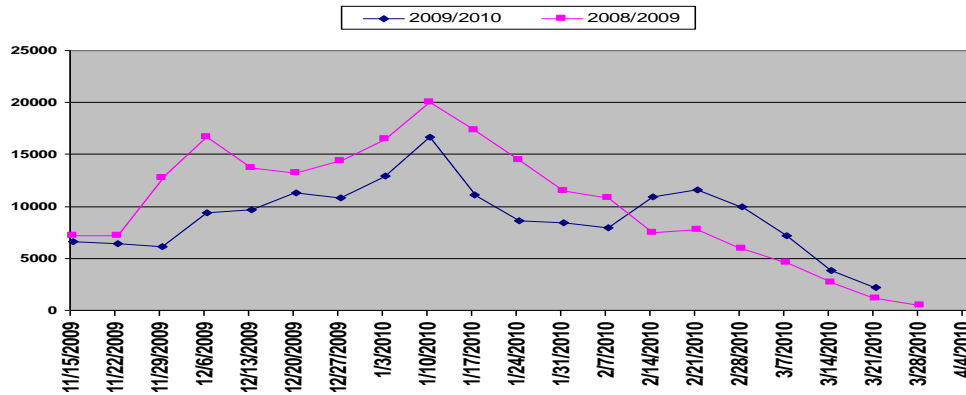
Alan Cain, Director of Lodging gave a PowerPoint presentation on rental performance as follows:

Average US hotel saw profits down 35% in 2009, Hotel room rates & occupancy rates declined across the nation, and 2009 worst year on record for Orlando occupancies.

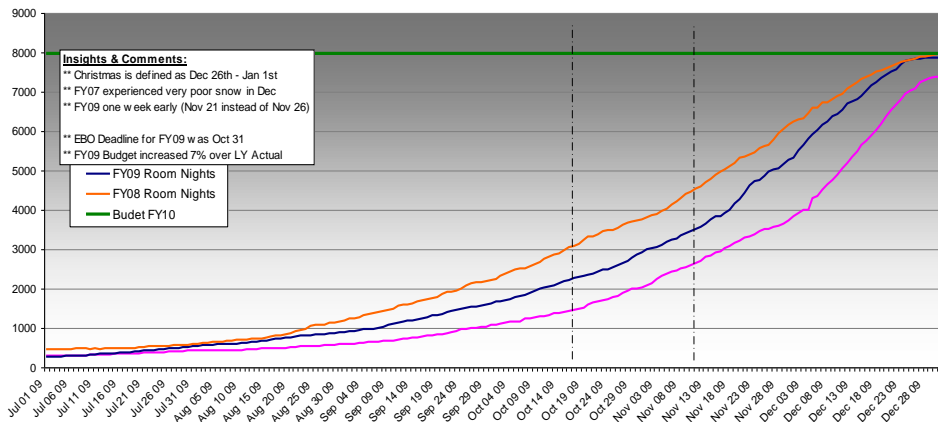
Calls – behind pace going into winter until about Valentine's Day.



On-line Visits 09/10 vs. 08/09 – were behind pace like last year until around the same time.

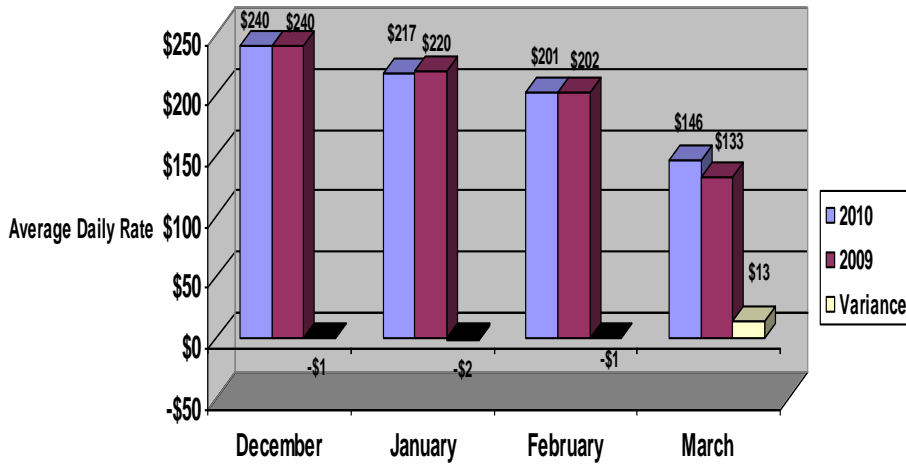


Dec 26 – Jan 1 Christmas Booking Curve – even with the heavier winter marketing we have done this winter than in the last three years, we saw a shorter booking window. 2 years ago, booking far out in advance for the Christmas period but decreased in 2009. We ended up in the same place during the final analysis but this shows people are really waiting until the last minute to book. In the past years, this time frame would have been booked three weeks prior, but this year the week prior still showed some occupancy available. Snowshoe has less rental inventory this year than two years ago - by design – Snowshoe eliminated complexes like Vantage Inn, Overlook, etc... since not up to standards of our guests.

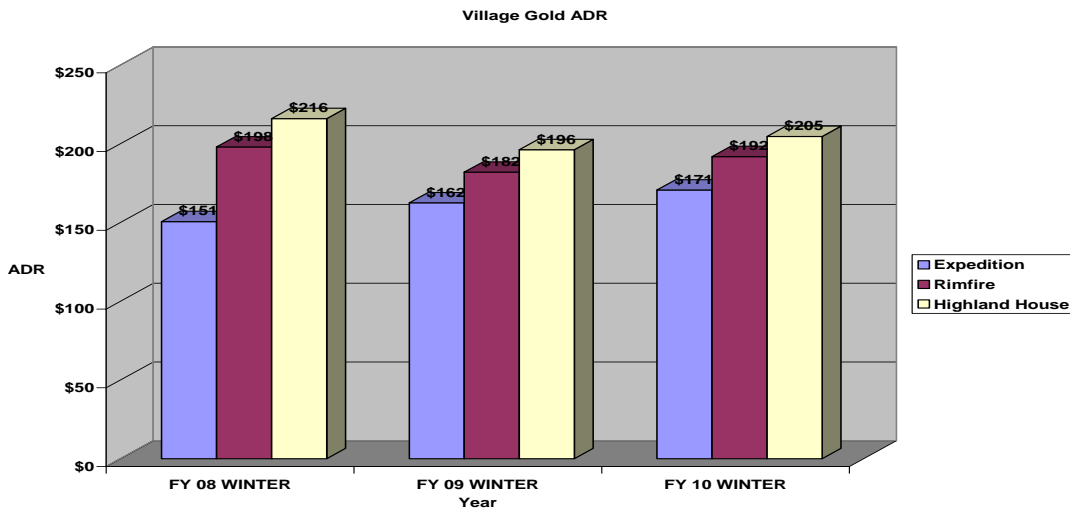


Resort Room Nights by Month - Bottom line for the resort, we were around 25% down this December compared to last December. December is a critical month for us. It is usually impossible to make up in the last three months of skiing. Starting to come back a little bit in January down around 17%, February only down around 5% and March helped with extending the season into first week of April.

Resort Average Daily Rate - Our strategy is to maintain our rate and integrity as a rate leader. The units on our rental program are of high quality. Deep discounting does not create demand.



Village Gold Average Daily Rate - for winter only during FY08, FY09 & FY10



New Promotions

We developed Promotions of High Value to our Customers

- New Day Care Facility
- \$9.99 Value Dining Options
- Sleigh Rides
- New Head Rental Fleet
- \$1000 Discount Passport
- \$200 Gift Card – Resort Credit
- Kids Ski Free in March
- Guaranteed Learn to Ski



Extended Season

Summer Travel Trends –

According to American Express:

- 33 % Will Drive instead of Flying
- 30% Will take shorter Vacation
- 27% Will Spend less on Activities
- 24% Will seek Bargains
- 22% Will choose Cheaper Destinations
- 12% Will Trade down on Lodging

Rooms Summary -

Rooms Summary	2010	STLY	Variance
FIT	1129	1100	3%
Groups	7861	10285	-24%
Resort Total w/o Owner	8990	11385	-21%
Non-Revenue	1186	1813	-35%
Resort Total	10176	13198	-23%

2010 Summer Kid's Camps –

- Cubs Camp (ages 4-7)
- Camp Wildcat (ages 8-12)
- High Adventure Camp (ages 13-18)

### Green Zebra Adventures Coming to Snowshoe Mtn!

- Snowshoe Mountain has recently partnered with Adventure Travel Specialists "Green Zebra Adventures" to offer Off-Road Adventure Tours in the incredibly capable TOMCAR off road driving machine

### **OTHER BUSINESS**

Bob Elwood was asked about the meeting association presidents were invited to in which Snowshoe and Frontier discussed the upcoming possible transfer of phone and internet service to Frontier. If Snowshoe stays in the phone service business, it will have to file to become a utility under the rules and costs of the Public Service Commission, Therefore, under either scenario there will be cost increases to the HOA. Frontier is the only phone option in this area. Frontier is putting together some different phone/internet options and pricing and is also considering TV service. More details will be presented at the Association Presidents Meeting in August.

Ali Carr-Chellman stated there is now a Rimfire page on Facebook.

The meeting was adjourned at 5:50 pm and the homeowners were invited to attend a social at Foxfire Grille.

### **ACTIONS ITEMS**

1. Kara to distribute a propane consumption comparison to prior year
2. Kevin to get a comparison and cost for adding one AED in the Rimfire hearth room installed with the 911 cabinet dialer and in view of the camera and then go with the best option