

MINUTES

RIMFIRE LODGE ANNUAL HOMEOWNERS MEETING

May 20, 2012

The meeting was called to order at 10 AM. Proof of notice was shown and a quorum was established. Board President Bob Hall was present in person and Board member J. F. Hodges was on the phone. Director of Association Management, Bob Elwood and Property Manager, Kevin Wingfield were present, as were homeowners in person, on the phone, and by proxy.

Bob then introduced Debbie Goodwin, representing the new Linwood Library/Community Center. This multi-use facility is located at the main entrance to Snowshoe at the base of the mountain and was once Snowshoe's Welcome Center. She spoke briefly about the progress the facility has made since opening about two years ago, and about its broad range of programming and activities. She stressed the facility's need for broad-based community funding and requested support from the HOA when possible. Other HOA's have already lent support. A newsletter is attached to these minutes. All are welcome to stop by to see and utilize the facility.

The first official business was to elect the new Board. For the three available positions, the three candidates were the current Board members: Bob Hall, Tom Hartman, and J. F. Hodges. There were no new nominations from the floor, and the three candidates were re-elected by acclamation.

Bob Elwood then presented the following power point concerning the recent financials and the Board-adopted budget for the coming fiscal year.

FINANCIAL REPORT THROUGH MARCH 2012

NET INCOME BELOW BUDGET BY \$5,100

TOTAL REVENUES EXCEED BUDGET BY \$6,100

- Late fee revenue over budget by \$5,000
- Resale fees over budget by \$2,500
- Parking revenues below budget by \$2,900

TOTAL EXPENSES OVER BUDGET BY \$11,000

EXPENSES OVER BUDGET

- Sprinkler maintenance by \$2,400 (sprinkler line break)
- Carpet cleaning by \$3,700 (sprinkler line break & timing)
- Elevator maintenance by \$4,400 (replaced detector strip)
- Emergency light inspections (service upgraded to code)
- Garage repairs & maintenance by \$2,200 (timing of cleaning)
- Hot tub expenses by \$10,800 (\$6,000 alone in replacing flue piping)
- Sprinkler water line damage by \$1,200 (unbudgeted)
- Internet service by \$2,400 (transition to Frontier)

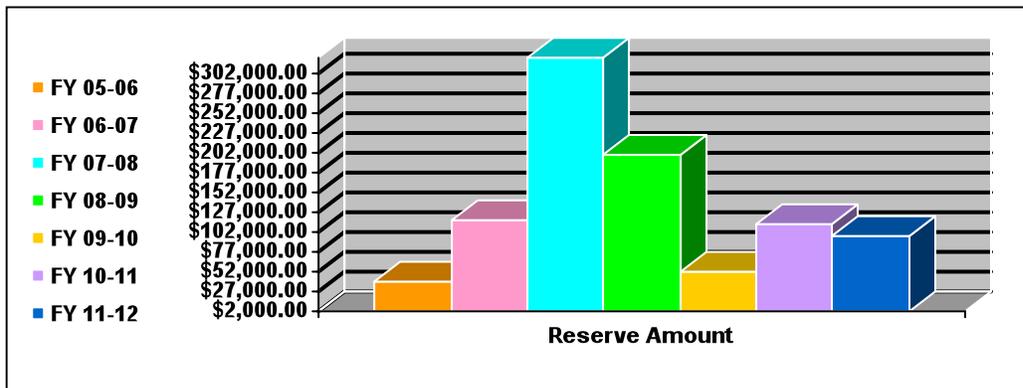
- Propane by \$8,600 (rates high)

EXPENSES BELOW BUDGET

- Building maintenance (4 categories) by \$7,000
- Hardscaping by \$1,500
- Landscaping by \$3,800
- Legal by \$1,500
- Snow removal by \$3,300
- Cleaning & janitorial by \$1,300
- Electricity by \$4,600
- Federal income tax by \$9,000

BALANCE SHEET

Reserves at \$97,000



Assessments receivable:

- 11 units over 90 days late

LOAN BALANCE UPDATE

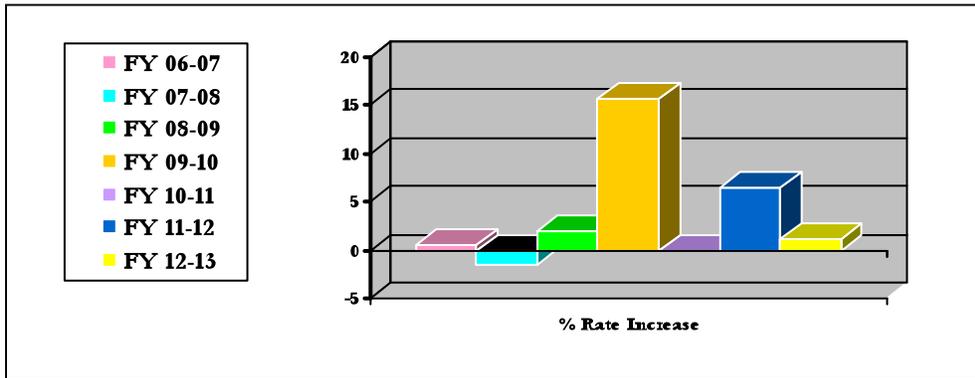
Loan balance at \$114,000
 Paying down at about \$5,000 monthly
 Payoff by July, 2014

BUDGET FOR FISCAL YEAR 5/1/2012 - 4/30/2013 – The Budget was Approved
 Refined all line items as needed

INCREASES	DECREASES
Internet	Federal income tax
Propane	Landscaping
Telephone	Miscellaneous & contingency
Insurance	Electricity
Elevator maintenance	
Emergency lighting inspections & repairs	

History of Rimfire Assessment Rate Change

Average residential rate increase of 1.18%



Average rate increase in residential assessments since 2006-2007 is 3.49%

Maintenance Update – by Kevin Wingfield

Completed

- Inspections – Elevator / Sprinkler System / Alarm System/ Backflow Preventer/ Fire Extinguisher / Emergency And Exit Lighting
- Common Area Slate Sealing And Repairs
- Garage Cleaning
- Garage Door Repairs And Regularly Scheduled Preventative Maintenance
- Roof Repairs
- Lightning Protection System Inspection And Repairs
- Health Club Equipment Preventive Maintenance
- Replace Health Club Treadmill
- Conversion To Anti-Freeze Sprinkler System
- Miscellaneous Exterior Water Penetration Identification & Repair
- Replacement Of Hot Tub Heater Exhaust Vents
- Conversion Of Telephone And Internet To Frontier

In Process

- Common Area Carpet Cleaning
- Sprinkler System Repairs – Failed Valves And Updating Alarm Interface
- Increased Sprinkler System Inspection Schedule – Annual To Quarterly
- Repair To Parking Garage Carbon Monoxide Detection System
- Installation Of Carbon Monoxide Detectors In Attic And Hearth Room – New WV State Law
- Common Area Painting – Hallways And Stairwells

Under Review

- Deck Repairs
- Refinish Hot Tubs

As has been reflected in prior Board minutes, there are numerous decks requiring significant repairs, although prior building exterior work is believed to have all the decks for now in safe condition. At the Board's request, a building envelope engineer has submitted a tiered proposal for services in

investigating the issues, recommending repair work to be done, and, if necessary, working on bids and monitoring the work. The Board has approved taking the first step with the hope that enough information will be gleaned so as to permit proceeding directly with refining of the bids in hand and doing the work.

Maintenance of the decks is normally the responsibility of the unit owners. That said, given the scope of the work and questions about the source of the problem including potential design flaws, construction errors, or overall building aging or settling, as is evidenced by the large number of decks requiring repair, some owners feel that the HOA as a whole should either completely cover, or at least participate to some degree, in funding repairs of the decks. There will be a review of funding through reserves and HOA other funds, special assessments, and the possibility of bank financing. Once good bids are in hand and better information is available from the engineering review, the Board will have a clearer direction to head in. Our goal is to be as fair as possible to all owners.

Other Business

One owner asked about the new state law requiring carbon monoxide detectors. Kevin explained that the HOA is taking care of those in the common areas and that the owners would ultimately be responsible for those in their units. He is anticipating Snowshoe rental to come up with a program for their units, and non-rental owners will be notified of the details of that.

An owner asked about the progress of the sewer treatment plant. Bob explained that from information he has seen, the Public Service District and Public Service Commission are making real progress together for the final solution. Once the project moves forward, it will trigger the additional rate increase, but the timing remains unknown.

An owner asked about Snowshoe plans for summer. Bob explained that some plans for activities and amenity expansion had to be put on hold for now due to the difficult winter season, but that the resort is committed to significantly build summer business by building and diversifying mountain biking and other events and activities on the mountain.

It was confirmed that there were no known changes in restaurant operations this summer.

It was also confirmed that the new internet service with Frontier is roughly equivalent to that previously.

To access the online forum, go to forumwebmaster@rimfirelodge.com. There is also a Facebook page.

The meeting adjourned at 11:30 AM with a social function at the Foxfire Grille starting at 12:30 PM.