

**Minutes of the Durango Mountain Master Association
Board of Directors Meeting
June 4, 2009**

Directors present:

Jay Eagen, Nancy Furry, Mark Gebhardt, Gary Derck, George Stahl

Guests present:

Chuck Wages, Cathy Craig, Lisa Foster (DMR)

Call to order and prior meeting minutes:

The meeting was called to order by Jay Eagen. After reviewing the April 9, 2009 meeting minutes, the board approved with no changes.

Added Agenda Item

Trimble Natural Hot Springs and Spa (Trimble) agreement option extension as an agenda item. The original extension was for a two year term, Trimble requested 1 year extension to be re-evaluated next year. The board discussed the service provided and unanimously approved the 1 year extension.

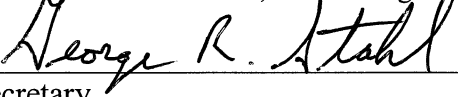
Financial Review:

George presented the fiscal year 2009 financials ending April 30, 2009. The overall revenue shortfall of approximately \$672,000 was primarily due to the \$471,000 unfavorable variance in Real Estate Transfer Fees and the lower than expected local Club Member initiation fees of \$116,000. Association expenses, however, were managed carefully resulting in total expenses of approximately \$200,000 better than budget. Fiscal Year 2009 ended with \$567,000 cash on hand.

George presented the revised 2009-10 budget. After much discussion about maintaining current amenities and forecasts on new memberships, the break-even income statement budget was unanimously approved. It was recommended that the board monitor the financials carefully and if expenses exceed budget and new membership does not materialize, a finance task force will be formed to consider amenity and expense reduction in advance of the winter operating season.

The next meeting will be held June 27, 2009 at Purgy's which includes the membership at large for the annual homeowner weekend.

With no further business, the meeting was adjourned.


Secretary