

**Minutes of the Durango Mountain Master Association
Board of Directors Meeting
January 26, 2010**

Directors present:

Jay Eagen, Mark Gebhardt, Nancy Furry, Gary Derck, Mark Seiter, 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 November 18, 2009 meeting minutes, the board approved with no changes.

Financial Review:

Mr. Stahl presented the financial statements for the eight months ending December 2009. Mr. Stahl guided the board through the balance sheet, noting the association has \$576,000 cash on hand as of December 31. In addition, he noted:

- Real estate transfer fees have achieved 80% of budget with 4 months remaining.
- The Community Center has not recognized expected revenue opportunities. Savings have been recognized in most expenses areas with utility savings achieved because the outdoor spa deck has not been heated because of a problem with the glycol system.
- Durango Mountain Club is \$32,000 ahead of plan.
- Durango Mountain Club propane expenses are less than budget by \$17,000, likely due to the new pool cover.
- Paver heat melt system at the plaza level was turned on in mid-December. Purgatory Lodge Owners Association paid for the infrastructure and installation; DMMA is responsible for the operating costs.

Accounts receivable is currently \$200,000. Of that, residential property assessments are \$36,000. The board discussed the lien process on those properties.

Mr. Stahl and Mr. Seiter reported that they have sought a proposal for safe investment of cash reserves from a local bank.

Snow removal - Mr. Eagen requested board approval for 20% of Elk Point snow removal costs to be covered by the DMMA due to the Community Center and responsibility for a portion of the streets and parking spaces. Mark Gebhardt motioned to approve, Nancy Furry seconded the motion. The motion passed with none opposed.

Mr. Stahl presented an initial schedule for preparation of the DMMA Fiscal Year 2011 budget. Mr. Stahl and Mr. Eagen will present an initial draft 2011 budget for review for the next board meeting.

Operations and Actions:

Sale of DMC non-resident memberships are below budget. Cathy Craig suggested we market to North County owners.

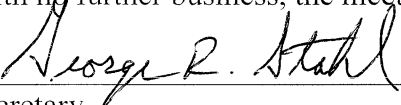
Mr. Eagen distributed the existing management agreements for the Durango Mountain Club and Community Center; both contain 90 day auto renewal clauses. The board expressed no objection to permitting the agreements to renew.

Mr. Eagen presented refuse cost sharing for areas that do not have their own homeowners association. An analysis will be completed to provide to homeowners that fall in this category.

Mr. Eagen presented concepts for a homeowners locker room in response to requests for such a facility from some existing homeowners. The board requested that a survey be undertaken to determine interest and willingness to pay for additional services.

The next meeting will be held March 2, 2010 at the Durango Mountain Resort Bodo office.

With no further business, the meeting was adjourned.



Secretary