

**Minutes of the Durango Mountain Master Association
Board of Directors Meeting
November 18, 2009**

Directors present:

Jay Eagen, Mark Gebhardt, Nancy Fury, 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 September 2, 2009 meeting minutes, the board approved with no changes.

Financial Review:

Mr. Stahl distributed October financial statements and associated financial schedules for discussion, noting the following items:

- Club food costs continue to run about double the budgeted amount, which approximates a \$10,000 unfavorable variance through 10-31. Mr. Derck offered to apply the \$1 per room night USFS donation (the program is currently being restructured) to help off-set the higher than expected breakfast costs.
- Certain club labor costs were budgeted incorrectly, resulting in an estimated annual variance of \$30,000. Mr. Eagen and Mr. Stahl outlined several favorable variances and expense initiatives that are expected to more than off-set the unbudgeted labor.
- DMMA past due residential dues approximate \$43,000. The board authorized Mr. Stahl to initiate the delinquency lien policy to these accounts and administer no facility/amenity access procedures until the accounts are paid current.
- Overall, the DMMA remains financially healthy with \$55,000 in net income approximating budget and with over \$600,000 in cash reserves.

Operations and Actions:

Mr. Wages handed out calendars reflecting current events and facility bookings.

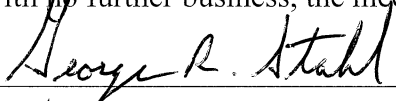
The following agenda items were discussed:

- 1) Durango Mountain Club membership
 - a) Mr. Eagen presented proposed corporate membership initiation fees and monthly dues; the board approved the proposed corporate membership rates.
 - b) Marketing/recruitment - proposed former employee to be used to establish marketing plan and fulfill the plan in exchange for skiing privileges for the 2009-10 ski season. Board approved.
 - c) Incentive for current DMMA/DMC members to refer a guest/friend that applies and is accepted as a new member. A \$500 per new membership will be applied to referring member dues/fees. Board approved.

- 2) Community Center and Club usage/booking/fees
 - a) Durango Mountain Club party booking options - the board recognizes the club is a private facility for club members, however with many requests and the potential to offset club expenses the board discussed allowing. The board requests if the event is to be viewed as private then "C" days must be used, otherwise members have the right to use the club during any event. The fee schedule has been simplified for both facilities. The board granted the flexibility to management to close/secure the booking, with the understanding that the fees should include staffing for the event.
- 3) The winter newsletter includes an article on the DMMA purchased AED, located outside of the Mountain Activities Center (MAC). The chemical pool cover experiment failed, a new pool cover has been purchased.

The next meeting will be held January 26, 2010 at the Durango Mountain Resort Bodo office.

With no further business, the meeting was adjourned.



Secretary