



TAMARACK MUNICIPAL ASSOCIATION
Meeting Minutes
May 29th, 2008

I. Call to order

The TMA Board Meeting was called to order at 4:25 PM on May 29th, 2008 in Design Plaza #309, Tamarack Resort by Jean-Pierre Boespflug.

II. Roll call/Establish of quorum

A minimum of 6 board members must be present to establish a quorum. Board Members in attendance:

- Ken Rider
- Rod Meyer
- Mike Drury
- Matt Burrell
- Marie Lauer-Frere
- Deb Murphy
- Jean-Pierre Boespflug
- Tom Altmann
- Rod Walz

Board Members in attendance via conference call:

- Doug Dvorak
- Jim Spent

Executive staff in attendance:

- Tim Flaherty
- Penny Lancaster
- Christy Jacobson
- Jay Mentzer

Human Resources staff in attendance:

- Jana Straubhar

III. Benefits provided to employees of TMA - Jana Straubhar from Human Resources was in attendance to go over TMA benefits that will begin June 1st, 2008. For the purpose of these minutes, I will refer to Jana as HR (to encompass the department as a whole).

a. Insurance: Per HR, Tamarack Resort, LLC will, effective June 1st, reduce employer contribution from 80% to 50% (which is a common market trend). They have also removed dental insurance from the benefits package. The TMA will mirror these percentages and plan details. On average, for Full Time Year around employees, the cost for TMA on a monthly basis is at or around \$7000.00. Seasonal employees will cost considerably less due to the fact that the insurance provided them will cover only catastrophic events. **The cost to TMA for providing these benefits has dropped from 23% to 17%.** The administration costs of providing the benefits is around 12 hours a week (which will reduce to around 8 hrs/wk once the initial set-up process is complete) at or less than \$50.00 an hour. The plans can be revised once a year. As long as the plan remains in effect until June 1, 2009, no penalties will be assessed. A three (3) month advanced notice will be helpful to HR if things need to be changed or modified next June. *Rod Walz motioned to accept the insurance package estimated at \$7000 a month and mirroring Tamarack Resort, LLC. Tom Altmann seconded. All board members present favored this motion and no-one opposed. Motion carried.*

b. Paid Time Off (PTO): HR explained that there is a policy in place already that allows a maximum of 120 hours a year for PTO. According to the policy, if the employees that have existing PTO do not take the time off, they are entitled to be paid their normal wage for those hours at the end of the year. There are 2 options for TMA to consider regarding PTO and the payouts to employees that have been transferred over.

- Option 1 – Tamarack cashes out all existing PTO for employees transferred to TMA and TMA starts employees PTO time from 0.
- Option 2-TMA can assume the PTO balance from Tamarack Resort LLC for those employees that have transferred over. This will need to be paid out to employees who have not used PTO hours by the end of the calendar year.

HR suggests that TMA exercise Option 2 and then outlining a new policy for PTO that better suits the TMA. Seasonal employees are not eligible for PTO. *A motion was made for PTO to adopt balances & language on form subject to review and changes next benefit year. All favored, none opposed. Motion carried.*

Tim Flaherty brought up the issue of 2007 bonuses. The issue of reviewing individual situations regarding merit increases and performance reviews will be conducted on the regular October 1st date. Any outstanding 2007 bonuses for salaried employees will be addressed at the end of 2008.

The PTO will follow the same guidelines as in the past and length of served with the company will follow each employee over to the TMA.

c. 401 K plan- Tamarack Resort, LLC has suspended the employer’s contribution to the 401 K plan. Employees can still contribute, but Tamarack Resort; LLC will NOT make matching contributions. The Board feels it is important to retain a similar TMA tax protected saving plan considering it will cost very little monthly to manage this program and is another good way to retain quality employees. There is a one year waiting period for new employees to participate in this program. *There is a motion by Rod Walz to approve the 401 K plan with no TMA contribution matching. The motion is seconded by Tom Altmann. All present in favor. None opposed. Motion carried.*

IV. Equipment Leases and Purchases: The purchase and transfer of equipment from Tamarack Resort LLC to the TMA was discussed. The equipment is being transferred at fair market value and in good condition. (See attached for a list of these vehicles and purchase prices. Please see notes on 2nd page for Fair Market Value explanations. The appraisal rate for the equipment was calculated between Kelly Blue Book values, NADA values, Current equipment values from local distributors and Boise distributor companies including a national auction appraiser who performed an on-site inspection of all equipment).

EQUIPMENT/VEHICLES TO BE PURCHASED

TV140/New Holland Tractor	45,000
Elgin Pelican Sweeper	20,000
AEBI/TT95 Tractor	25,500
Cat Skidsteer/242B	24,500
JD Mini Excavator/JD50C	35,000
JD 410G/Backhoe	45,500
JD Gator	4,500
Zaug Snow Beast	32,500
6 Honda Snow Blowers	6,000
Ford F150 PU	11,000
Ford F350 Flat Bed	14,500
Ford Expedition/2004	3,750
Volvo Autocar Dump Truck	35,000
Computers	6,800
Copier/Printer	1,500
Office Furniture	24,000
Security Equipment	35,427
TOTAL	370,477

Tim Flaherty proposed the Board vote on accepting equipment purchase for fair market value and in good condition. Mike Drury 2nd the motion. All present were in favor. None opposed. Motion carried.

New Business

Motion to accept Doug Dvorak home owner and Board Member appointed by Declarant as Treasurer was made by J.P. and 2nd by Rod Walz. All present were in favor. None opposed. Motion carried.

*** Jim Spent, Doug Dvorak, and Deb Murphy all left the meeting at 6 PM
 Participation by village representative Deb Murphy was duly noted and greatly appreciated*

B. Additional Assessment Revenue Stream

A 5% Recreation Assessment fee was proposed to help fund the costs of transportation but not held to this one component. A proposal was put on the table for a 5% Assessment fee to be collected on Ski Tickets & passes, Golf Rounds, Ski and Golf lessons, Guided Services and all recreational sales that were not previously allowed in our bylaws. Tim Flaherty noted this would be a great accomplishment for the home owners that will help increase revenues as we grow into the future.

J.P. states that a separate holding account for civic assessments has been established to ensure timely monthly payments. April’s civic assessment has been received by the TMA.

The motion, which excludes Club dues and any associated initiation fees was put forth by Rod Meyer for approval and seconded by J.P. All present were in favor of the motion. None opposed. Motion carried.

C. Treasure Valley Transit Coordination Agreement –schedule & costs

COMPARISON OF TVT COSTS VS. ADDT'L CIVIC REVENUES

Transportation Costs	FULL BURDEN	OPTION A	OPTION B	OPTION A&B	OPTION A,B,C
TVT Donnelly Yearly Cost	\$ 38,700.48	\$ 26,792.64	\$38,700.48	\$26,792.64	\$26,792.64
TVT Cascade Yearly Cost	\$ 139,193.60	\$139,193.60	\$133,075.20	\$133,075.20	\$133,404.16
TVT McCall Yearly Cost	\$ 176,838.48	\$176,838.48	\$176,838.48	\$176,838.48	\$176,838.48
TOTAL ANNUAL TVT COST	\$354,732.56	\$342,824.72	\$348,614.16	\$336,706.32	\$337,035.28
Reimbursement by IDOT	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00
Anticipated Civic Assessment Increase	\$129,350.00	\$129,350.00	\$129,350.00	\$129,350.00	\$129,350.00
TOTAL ADDTL REVENUES	\$329,350.00	\$329,350.00	\$329,350.00	\$329,350.00	\$329,350.00
Remaining Cost/TVT Burden	\$25,382.56	\$13,474.72	\$19,264.16	\$7,356.32	\$7,685.28

- *** Option A: No Donnelly Shuttle service 04/15-06/15 & 09/15-11/15
- Option B: No Cascade Sunday Shuttle service 04/15-06/15 & 09/15-11/15
- Option C: No Cascade Saturday Shuttle service 04/15-06/15 & 09/15-11/15

The public transportation system for employees and guests to travel from McCall, Donnelly and Cascade is a vital part of the success of the resort. Rod Meyer explained how important the Saturday shuttle is to his employees.

A tentative agreement to do Options A & B was reached.

D. Official Separation of the TMA from the LLC was effective 04/24/2008.

RECEIVABLES/PAYABLES AS OF SEPARATION OF TMA AND LLC	
LLC PAYABLE AS OF 04/24/08 TO TMA	1,432,629.10
TMA PAYABLE AS OF 04/24/08 TO LLC	(1,053,185.88)
DIFFERENCE	379,443.22
EQUIPMENT TO BE PURCHASED	(370,477.36)
LLC PAYABLE TO TMA	\$ 8,965.86

*Tamarack Resort, LLC will be cutting a check for the difference of \$8965.86 made payable to the TMA which will bring Tamarack Resort, LLC current with TMA as of the end of Q1.

E. Current Receivable Financials

RECEIVABLES CURRENTLY OWED TO TMA/LOMA/BUA	
LLC Q2 Assessments Owed to TMA	\$ 344,886.08
LLC Q2 Assessments Owed to LOMA	\$ 183,056.00
LLC Q2 Assessments Owed to BUA	\$ 11,297.00
Total Homeowner Past Due Assessments	\$ 642,373.70
TOTAL DUE	\$1,181,612.78

Tim Flaherty stressed the point that all past due assessments are severely compromising the ability to keep the association operational.

Currently, the total amount owed to the TMA from the LLC for Q2 is \$539,239.08. In addition, past due revenues owed from delinquent home owners totals \$642,373.70 these two combined equal a past due amount of \$1,181,612.78.

Per J.P., the LLC is in negotiation which would result in an influx of cash in October which will allow Q4 (due on November 15th) to be paid, as well as allowing Q2 & Q3 to be caught up. The LLC anticipates continuing to pay the 5% civic assessment with auto pay that is currently being collected at the resort. The situation is very tight until this financing does occur with JP alone providing a weekly contribution to keep the Resort open.

Currently, the TMA Reserves total one million five thousand dollars. These reserves are held in designated TMA interest bearing accounts. Present Budget models depict a negative cash flow for the month of October. The Board discussed an option of using a portion of the reserve to temporarily offset the short fall should it occur. If the TMA reserves are to be used, they will be reviewed by the Audit Committee and pre-approved by the Executive Committee. The used reserves need to be restored by years end when negotiated payments are received from the LLC and collections have been made from delinquent homeowners.

Matt Burrell also requested that the buildings of the LLC be liened in the same manner as individual homes would be in a similar circumstance.

A Motion was made to allow a draw from the reserves, if needed with terms and conditions subject to review by the audit committee and approved by the executive committee, limited to a cap of \$500,000. The Audit committee is composed of Rod Walz, Matt Burrell, Rod Meyer, Michael Carey, Kathy Boespflug and John Redl. All reserve withdrawals will be approved by the Executive committee. All reserve withdrawals will be made available with full disclosure and documentation reflecting each transaction.

A motion was made by Rod Walz and seconded by Ken Rider. Abstention by JP Boespflug, all others in favor. Motion carried.

F. A motion was made to add Doug Dvorak to the Executive Committee by Ken Rider and seconded by Marie Lauer Frere. All in favor. None opposed. Motion carried. The executive committee is now composed of Rod Walz, Doug Dvorak, Jim Spenst and Jean-Pierre Boespflug. The role of the executive committee is to be available at short notice for decisions which cannot wait for gathering of the full Board or require interpretation of decisions already made by the Board.

The meeting was adjourned at 7:45 PM.

