

MILL BAY MEMBERS ASSOCIATION

Board Meeting - September 4, 2009 – 11:43 AM

(Members present: Board members Dick Swier, Doug Gibbs, Reed Kinne, Frank Vertrees, Frank Smith & Ron Johnson; Operations Manager Paul Grondal, Camp Host Fankie Fitzjarrald)

Minutes - Motion to approve last Board minutes, approved.

Treasurers Report

Investments	\$38,000	Total income to date	\$118,448
In the Bank	\$11,300	Expenses	\$158,175
Receivables	\$8,246		
Total Assets w/receivables	\$59,979	Legal fees to date	\$78,967

Summary of litigation to date - Where we are today? – We have filed 5 separate motions for summary judgment. Each one could be winners for us. Each appear to be very strong arguments. The BIA and the allottees have taken our annual rent coupled with the facts and findings of our court litigation by Judge Bridges in 2004 - each of which tend to show that the master lease was revised in our favor. Next important date is October 29, 2009 in Spokane Federal District Court to hear these arguments. This is an important date for our members to attend. (Picture ID and business attire). If we don't win any of these summary judgments then we go to trial.

Special Assessment for Legal Fees - We have reached the point where we need to have an assessment fee in order to afford our present and future litigation and be able to operate the park efficiently. Much discussion followed. Motion by Reid Kinne and second by Frank Vertrees to establish an assessment fee of \$250 for Regular side memberships and \$500 for Expanded side memberships. The assessment fee invoices to be mailed out immediately by September 15th. This assessment fee must be paid by November 15, 2009 to avoid putting your membership in default. It was noted that if this litigation continues, it is possible that we may find it necessary to have an additional special assessment fee next year as well.

2010 Membership Dues - The Board encourages all members to send in your annual dues payment early so that we can have enough capital to afford our expenses and the annual lease payment for our RV Park. It was suggested that the invoices for annual dues be mailed in early November. A cover letter will be drafted explaining the volunteer nature of our request.

Proposed Rule Clarification - Regular Side - If a member is using the "Buy back" rule – that the member is required to move to an available site on third row only (July 1st through Labor Day). Motion by Doug Gibbs, second by Reid Kinne to revise the rules to clarify the Boards intent that during this time period – it's not a choice, but a requirement.

Boat Trailer Issue - Much discussion, regarding being overrun by boats, do they belong to members, should we have members register their boats and trailers – Motion by Frank Smith, second by Vertrees to table the issue. Smith, Vertrees, Swier & Johnson Yes – Gibbs & Kinne No

Camp Host Authority - Flexibility given to camp host when storage full and member needs temporary Parking. Members with annual storage fees paid.

RV Storage Fees - Annual fees for RV storage are for January through December – \$400 annually or \$40 per month. If a member is taking advantage of the reduced price for annual permit – it is due within 30 days of invoice. Otherwise the fee is \$40 per month.

Visitor fees for Expanded side - Expanded site visitor fees are \$30 a night with any hook-up and \$15 a night without hook-up – The fee is to be collected by the camp host. If available, expanded member guests may (with camp host approval) use third row sites on the regular side at \$30/night.

Pool costs - Is heating the pool too expensive? (approximately \$2,500 a year) Much discussion – Is the pool a necessity? Can electrical costs be reduced? Having the temperature set at 85 degrees and covering the pool every night has helped. We have a leak at the light fixture that causes us to have to add lake water every day, thus requiring the heater to run longer. Next Spring, we will attempt repair of the leak and hopefully reduce the electric bill accordingly.

Electrical in General - Expanded side electric costs are extremely high. It has been found that air conditioners are running 24/7 even when members are not here. The electrical use on the expanded side is 3 times higher than the regular side. In an effort to save our membership money, the Operations Manager and Camp Host were directed to monitor the unnecessary use of air conditioners during periods where no one is here.

Motion to adjourn – 1:22 PM