

**Lake Forest Resort & Club Condominium Association**  
**Board of Director's Meeting**  
**Friday, September 16, 2016**

Tim Mikel called the meeting to order at 9:00am. Those present were Tim Mikel, Tammy Schultz, Dan Krueger, Dennis Breidenbach, Curt Knapp, Michael Schultz, Laurie McWard and Sue Couture. Once the quorum was established, Tim asked that the agenda be approved, which it was. With no visitors in attendance, the meeting proceeded.

**Secretary's Report**

Michael made a motion to approve the minutes from the April 22, 2016 board meeting. The motion was approved.

**President's Report**

Tim Mikel reported that:

- Neal Gamsky has resigned from the board and that Laurie McWard has stepped in to complete Neal's term.
- Dennis Breidenbach has agreed to become chair of the finance committee.
- Tim will be contacting the Health and Fitness Center to negotiate a new contract to allow Lake Forest Resort to continue using the facility.
- The contract with Tree House Village was approved with no changes for their use of the Lake Forest Resort amenities, such as the beach.

Tim Mikel nominated Dennis Breidenbach to be treasurer. This was approved by unanimous vote.

**Treasurer's Report**

The 2016 budget is on target for the rest of the year. Positive cash flow is again anticipated for 2016.

Bank Balances as of August 31, 2016

Operating Checking - \$40,926.97

Asset Reserves Fund - \$94,794.54

Operating Money Market - \$150,193.60

The operating checking account register for April – August 2016 was reviewed, approved, and all board members signed off.

The 2017 budget draft was reviewed and discussed, the finance committee is working on the final version that will be presented to owners at the December meeting.

**Resort Manager Report**

Sue Couture, Resort Manager reported:

- 1) Occupancy rates are good for peak season, off season weeks continue to see a decline.
- 2) The rental program continues to grow. From \$138,288 in 2012 to \$171,984 in 2015. (Gross numbers)
- 3) There are currently 296 weeks on the re-sale list. (up 1% from March 2016)
- 4) The board is encouraging owners to spread the word about Lake Forest Resort to help promote rentals and sales. You can do this by sharing weekly email blasts and Facebook posts with your friends and contacts.
- 5) Bad debt continues to be an issue. It is anticipated that 11% of the owned weeks will have outstanding invoices for maintenance fees as of December 31, 2016.
- 6) There are 191 delinquent or association owned weeks during low season - Weeks 1-13, 16-18, 39-51.
- 7) Sue is finding it increasingly difficult to hire replacement employees, especially in the summer.
- 8) Sue is working with Interval International and Resort Travel Exchange to improve the exchange program.

### **Longevity Committee**

The committee discussed how owner shrinkage in low and shoulder weeks will affect maintenance fees in the future. Many of our original owners, who helped to make Lake Forest Resort what it is today, are over the age of 65 and own about 350 low or shoulder season weeks. To help sustain the resort, these owners need to consider what they will do with their weeks when they are no longer able to enjoy Lake Forest Resort.

Owners need to step up and become a sales force in helping the resort to find new owners and renters. Here are a few things owners can do to help promote the resort:

- 1) Share and like LFR Facebook posts
- 2) Posting your own pictures and memories on social media pages
- 3) "Check In" on Facebook each time you visit.
- 4) Forward the weekly email blasts to friends and contacts
- 5) Think of the resort as a destination for business / church retreats, holiday or weekend get-a-ways or snowmobile club trips.
- 6) Feel free to submit ideas to Sue on how to promote the resort and encourage others to rent or purchase.

### **Asset Replacement**

The committee reviewed the 2016 replacement schedule and all projects have been completed.

With a positive cash flow, the committee decided to move forward with completing the carpeting cycle for units 117 – 124.

The 2017 Proposed Asset Replacement scheduled was reviewed with a budget of \$117,622. The schedule will be presented to owners at the annual meeting.

### **Personnel and Policy**

Curt asked each board member to complete the resort manager review. These were turned in and Curt will be reviewing and meeting with Sue. Overall, the board is once again very pleased with what Sue has done for the resort. She continues to work at promoting the resort, meeting with owners and suggesting improvements that make the biggest impact.

The proposed changes to the employee manual were reviewed. Laurie made a motion to approve the changes. This was approved.

Changes were also made to the Board Policy manual concerning family members serving together on the board. Dan made a motion to approve the following "The president will not assign family members to the same standing committee, unless it is a committee that includes all board members". This was approved.

With no other business, Tim motioned to adjourn the meeting. This was approved and the meeting was adjourned at 10:28am.

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