

Southwind at Lake Tahoe, Inc.
Board of Directors Meeting
May 1, 2008

President Greg Spearn called the meeting to order at 10:05AM with Board members Treasurer Mary Ann Kendrish, Joe Palko and Bart Buckley present. Also present were the Southwind Association Manager, Chris Sherbine, the Assistant to the Director of Real Estate, Heidi Corsello and the Swiss Mountain and Villages Association Manager, Linda Zellum.

Sherbine established a quorum per the By-Laws with 4 of the 5 Board members present. Spearn announced that Secretary Gloria Maust has resigned. Spearn appointed Chris Sherbine to fulfill the Secretarial position until Maust's original term expires, which will be in 2009. (Palko, Buckley)

The minutes of the December 7, 2007 Board meeting were approved. (Palko, Buckley)
Carried unanimously.

Treasurer Kendrish reviewed the financials. It was announced that this will be the first full (fiscal) year budget (7/01/08-6/30/09). The move was made from a calendar year to a fiscal year in order to include a full winter of snow removal instead of dividing the ski season. Kendrish stated that the 2008-09 Budget includes approximately a \$20 per month increase for next year or a \$65 per quarter increase regarding Association dues.

The increase is attributed to higher energy costs & initial start up costs for the Association-owned lawn & maintenance equipment. There were also a few miscellaneous line items that were under estimated for the 2007-08 year. The budget is set to start when the pool will open as well.

A lot of the base numbers were slightly increased in real dollars because there are more units closed, which means there is a higher proportion of the cost being absorbed by the Association. It was mentioned that we will have a more accurate budget once all of the construction is completed.

Landscaping was increased due to more units being completed, resulting in more to be taken care of and more upkeep. The shuttle service has increased because it is based on the number of homeowners. Last year it was based on 67 homeowners & this year it is based on 100+ owners.

The gatehouse operation is in full swing now & was not operational at all in the previous year. That attributes for a portion of the increase as well.

It was noted that it has been brought to the Board's attention that there are questions as to why we do not have a separate line item for snow shoveling. Some owners are thinking they should not be charged. Spearn asked the Board for their opinion.

He also asked if they would like all the units to be shoveled and have it paid for by the HOA. Palko motioned for no action to be taken at this time and Kendrish seconded. It was carried unanimously that the individual homeowners will continue to be responsible for their own sidewalks due to the Board not wanting to take on any extra expenses at this time.

After hearing the actual numbers & averages compared to the Villages pools, etc., Board members Palko & Buckley understood better why the slight increase must occur. Spearn stated that the key & driving force behind the increase is the opening of the Recreation Center & the pool this year.

The goal moving forward is to obtain a stabilized budget which will come with time & upon completion of the Southwind project. Buckley motioned to approve the budget & Palko seconded. (Carried unanimously).

The Balance sheet was also reviewed. It was discussed that there were currently four homeowners with outstanding balances that were greater than \$500 for more than a six month period. The amounts owed by the owners totaled \$4,434, plus late fees. There is a procedure in place to file liens for those with the outstanding balances. Kendrish was directed to proceed with the protocol.

It was decided that the Nominating Committee is composed of the Board as well as Jane Clark who was appointed at a previous meeting. The Nominating Committee can decide who can run for upcoming Board vacancies or in future elections. Spearn noted that a position may be up for election at the next Annual Meeting. It was announced that Spearn & Sherbine would research the information further regarding the positions prior to the September 20, 2008 Annual Meeting.

A concept of a Social Committee was addressed. Buckley & Palko did not think it was needed until the Recreation Center & pool were opened. Palko is to research his notes as to who may have been interested in the past. It was agreed upon to mention the idea at the Annual Meeting & take volunteers.

In regards to an Architectural Planning committee, Buckley stated that it was a little early to try to form the committee. It was agreed by all that Southwind is good for now in this area. Buckley suggested bringing the idea up again next year at the December Board meeting.

Under old business, the gates are fully operational & running with very few issues. A few problems have been encountered by owners due to interrupted cell phone service if the gates are linked to call a cell phone in order to allow access.

Spearn announced if there is an ice storm the gates are opened manually by Ed Maholtz, Maintenance Manager in order to avoid ice build up which may cause the gates to not function properly. Sherbine has current Homeowner directories available but will be doing a new updated one with the information that she plans to obtain at the Annual Meeting in September 2008.

New business began with the pool & recreation center. Spearn opted to backtrack momentarily to discuss what the facts actually are regarding the obligation to build the pool & recreation center. Spearn reviewed the Public Offering Statement with the Board. He discussed the fact that Seven Springs is standing by their word according to the statement. Spearn announced the proposed schedule is to have the pool open & operating for use at the beginning of summer 2008. The Recreational Center has been made a priority in order to get it completed. Spearn also updated all of the Board on the specific issues & steps being taken to complete this project. It was decided by all to hold the Annual HOA meeting on September 20, 2008 in the Recreational Center. Palko expressed his gratitude for all that is being done to expedite the process.

Details were discussed regarding the Fire Response Plan for Southwind. There is a handbook in Chris Sherbine, Association Manager's office for anyone to view.

Various other issues were discussed such as future resort plans & estimating the usage of the lift operations to be analyzed.

With no further business to come before the Association Spearn moved for an adjournment at 12:20PM. (Buckley, Kendrish) Carried unanimously.

Respectfully Submitted,



Chris Sherbine

Secretary