

Lake Forest Resort & Club Condominium Association
Board of Director's Meeting
April 30, 2020

Board President Dan Krueger called the meeting to order on Thursday 4/30 at 9am. Those present via GoToMeeting were Tim Mikel, Dennis Breidenbach, Michael Schultz, Laurie McWard, Curt Knapp and Resort Manager Sue Couture. Member-at-Large George Swierczynski was absent. Once the quorum was established, Tim moved to approve the agenda. Michael seconded and the motion passed unanimously.

Secretary

The minutes from the December 7, 2019 board meeting were reviewed. Several edits were made and Dennis made a motion to approve the minutes. Laurie seconded and the motion was passed. They will be made available for viewing on the website.

Discussion Topics

Covid-19 Impact: Temporary policies regarding check-in's, safety and occupancy have been established and will be followed through the end of the SafeAtHome order on 5/26. However, added safety policies will continue indefinitely. There have been many cancellations for May and June but we've also picked up new bookings as well but not enough yet to cover the losses.

Deed Backs: Weeks returned because of death: 3 complete, 5 pending. Weeks returned as deedbacks: 2 complete, 6 pending. Based on current trends of deeding back and mortality the board estimates that as soon as 2024 Lake Forest Resort could be in a similar situation to Treehouse Village, facing a potential termination of the timeshare association.

Delinquencies: We have 1154 weeks total. As of 4.18.20 those include: 269 association owned, 74 pending non-judicial foreclosure, 5 pending deed back due to death, 6 pending regular deedbacks, 2 chronic delinquents (will add to NJF list), 59 payment plans, 694 paid in full and 45 new delinquents that have paid nothing so far this year. Collection proceedings will be starting in May.

Asset Replacement/Reserve: When fixed week ownership started being sold in the late 70's it was marketed as a 40-50 year use product. The resort is now 42 years old. Discussion ensued that at this stage of the resorts life it would be prudent to scale back on large improvements and maintain an 'as needed' approach in an effort to keep the maintenance fee as reasonable as possible for as long as possible.

Future of TreeHouse Village: Treehouse Village is holding a Zoom owner's meeting on 5/4. Dennis Breidenbach will be participating and providing feedback to the board.

Future Use of the Health & Fitness Center: The center closed on March 17th due to the governor's order on Covid-19. We paid for March membership in full and did not ask for a refund. Our payments are pro-rated over a 12-month period and we paid for April as well. The governor's order has been extended through 5/26 and it was decided the board would approach the owner of the HFC regarding not paying for May.

Lake Forest Landing: The HOA at Lake Forest Landing - where we have access to their boat landing - did not replace the pier after it fell apart. They simply removed it. We've had a few owners approach Board President Dan Krueger about asking them if Lake Forest Resort could put a pier in there for our owners and guests to use. Discussion ensued and it was decided that since very few owners use that launch, for various reasons, that Lake Forest Resort would not be inclined to invest in their property. It was felt that with Boat Sport and Eagle Lake Public landing nearby, those would suffice. In addition, if someone comes alone to the resort and needs assistance having their vehicle/trailer driven back to resort property that our maintenance staff would assist.

SBA Payroll Protection Program: Per the Board's request, manager Sue Couture applied for the Small Business Administration Payroll Protection Program. The application was submitted and approved. Funds in the amount of \$39,310 were received.

Marketing of Lake Forest Resort: We have print advertising in the Vilas County and Eagle River Visitor's Guides and we also send out direct email marketing to past renter's based on their interest. We're also participating in Google Ads. The goal with Google is to grow brand awareness and reach consumers who are actively searching for our keywords/phrases. We want to attract future vacationers who are looking for what we're selling.

- 87% of Americans are Internet users
- Internet marketing allows companies to reach consumers as they're actively searching for products/services
- Internet marketing strategies allow for much more advanced tracking and analytics
- Online advertisements cost less
- Online targeting is much more specific

Mainstreetroi.com and marketingprofs.com (as just a few examples) both say: Businesses make an average of \$2 in revenue for every \$1 they spend on Google Ads. (Google Economic Impact Report)

At the December 2019 annual owners meeting we had several owners suggest that we invest more in advertising to further grow our rental revenue. Using Google Ads is one tool we feel will assist with that growth along with social media.

One last item we're especially excited about is having a new website built. This is in process and will be debuted this summer.

Finance:

Account Balances as of March 31, 2020:

- Asset Reserve CD 1 \$76,039.03
- Asset Reserve CD 2 \$63,200.00
- Asset Reserve Money Market \$2,500.91
- Asset Checking \$64,594.97
- Operating Checking \$25,891.17
- Operating Money Market \$251,517.26
- Rental Trust Checking \$52,427.17
- Pre-Paid Maintenance Fee's from deed backs \$60,795.42

With no further business, Tim moved to adjourn the meeting, with Laurie seconding. The motion passed unanimously and the meeting adjourned at 11:45am.

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Approved: