

**WINNERS CIRCLE BEACH AND TENNIS RESORT
TIMESHARE CONDOMINIUM OWNERS ASSOCIATION
BOARD MEETING MINUTES**

May 13, 2023

I. CALL TO ORDER/ROLL CALL

President Dan McGeorge called the meeting to order at 9:05 a.m. The following persons participated:

Board Members

Dan McGeorge, President
Valerie Dahl-Nevarez, Vice President (telephonically)
Larry Manley, Treasurer
Nichole Peterson, Secretary
Asael Sandoval, Director

VRI Americas (VRI) and Resort Management

Tom O'Brien, Regional Vice President, Resort Operations/VRI
Terry Fraser, Resort Manager
Roger Martinez, Assistant Manager

II. APPROVAL OF AGENDA

The agenda was approved as presented.

III. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

A. March 18, 2023 – Regular Meeting Minutes

There being no changes, the March 18, 2023 Board Meeting Minutes are approved as presented.

IV. REPORTS

A. Sales and Marketing

Year-to-date, ten intervals have been sold.

B. Management (see report attached to these minutes)

1. Fraser's written report addressed assorted topics including maintenance, housekeeping, front desk and resort activities.
2. RCI Scores – as of May 2, 2023

The WCR 12-month average reflects that scores are meeting or exceeding Gold Crown thresholds.

<u>Criteria</u>	<u>Gold Crown</u>	<u>Silver Crown</u>	<u>WCR Current</u>
Check-in/Check out	4.6	4.5	4.8
Resort Hospitality	4.5	4.4	4.7
Resort Maintenance	4.5	4.3	4.8
Unit Maintenance	4.4	4.2	4.6
Unit Housekeeping	4.5	4.3	4.8

3. Action Items List

The Board reviewed and modified the latest Action Items report.

4. Contracts

No discussion this meeting.

C. Financials

1. Monthly Report

The members of the Board acknowledge receipt and review of the latest month-end Financial Reports as of March 31, 2023, including a review of the current reconciliation of the Association’s Operating and Reserve accounts, current year’s actual Operating Revenues and Expenses compared to current year’s Budget, an Income and Expense Statement for the Association’s Operating and Reserve Accounts, the Check Register, Monthly General Ledger, and Delinquent Assessment Receivable reports.

2. Variance Report

As of March 31, 2023, revenue was a negative variance to the budget of \$64,147 and expenses were a negative variance to the budget of \$6,867 with an overall negative net variance of \$7,260 prior to the auditors’ adjustments.

3. Delinquency Report

As of April 27, 2023, there were 702 delinquent intervals which represented 14.6% of the owner base of 4,794 and \$647,346 in un-paid 2023 Assessments. There are currently 852 HOA accounts representing 17.8% of the total intervals. Combined with the delinquent intervals, there are 1,554 non-performing intervals representing 32.4%.

4. Expenditure Approvals

None for this meeting.

5. Reimbursement Approvals

MOTION: Larry Manley moved to approve the transfer of \$374,259.89 from Replacements to the Operating fund for expenditures made between February 2023 and May 2023. Motion was seconded by Asael Sandoval and approved unanimously.

V. OLD BUSINESS

A. Tennis Court/Land Use Committee Report

The Board agreed to hold a meeting two hours prior to the next Board meeting on Friday, September 8, 2023 to hear presentations from the current Tennis Club operator, a drive-through coffee shop vendor and a builder that can do a leasehold build-out of townhomes.

B. Balcony Railing Structural Enhancements

Terry Fraser will solicit proposals to complete work on the outside of Building One, consistent with the plans that have been approved when the Building One interior renovation is slated to be completed. He estimates that this work will be completed in 2025.

C. Utility Sharing Allocation with Red Tractons

Terry Fraser will inform VRI that it is time to add Pest Control to the monthly utility billing for Red Tractons once he has first discussed this matter with the restaurant owners.

D. Triple Crown/WCR Shared Fence

MOTION: Nicole Peterson moved to accept the proposal from Reliable Fence in an amount not to exceed \$126,000 for the manufacture and installation of 580 linear feet of 8-foot tall powder-coated wrought iron fencing between the resort grounds and the Triple Crown condominium complex. The motion was seconded by Valerie Dahl-Nevarez and approved unanimously.

VI. NEW BUSINESS

A. Insurance Renewal 2023-2024

The Board acknowledged that the insurance had been bound as of April 1, 2023. The independent third-party insurance appraisal has not been returned yet. That report may suggest the building insurance valuation could be substantially higher than the current building value. Management will continue to investigate options to see if it is possible to replace the expensive Property coverage.

B. San Diego County Re-Offer Tax Sale Update

The Board authorized management to bid on the available intervals that will be placed up for auction at the upcoming re-offer County tax sale.

C. Board Packet – Digital vs. hard copy

Management will prepare a more streamlined Board meeting packet and distribute it electronically. Terry Fraser estimates this will save \$2,000 per year.

D. Corporate Signing Authority Resolution

MOTION: Nicole Peterson moved to approve a resolution authorizing Tom O'Brien, from Vacation Resorts International, to sign transfer deeds on behalf of the Association. The motion was seconded by Valerie Dahl-Nevarez and approved unanimously.

VII. OTHER BUSINESS

A. Owner Forum/Correspondence

The Board approved management's request to handle an account that was in collections.

B. Suggested Meeting Dates for 2023

Friday, September 8, 2023, at 2:00 p.m. – Committee Meeting
Friday, September 8, 2023, at 4:00 p.m. – Board Meeting
Saturday, September 9, 2023, at 10:00 a.m. – Annual Meeting
Saturday, December 9, 2023, at 9:00 a.m. – Board Meeting

C. Association Newsletter

The next mailing will be posted to the Association's website within 60 days and will include highlights of this Board meeting as well as notice of the Annual Meeting. The Board requested management include another article about the pitfalls of resale and "exit" companies so the members are reminded to contact the onsite staff with any questions or concerns.

D. Executive Session

No Executive Session this meeting.

VIII. ADJOURNMENT

There being no further business before the Board, McGeorge adjourned the meeting at 11:57 a.m.

Respectively submitted by,

Tom O'Brien
Regional Vice President, Resort Operations
VRI Americas

Nichole Peterson, Secretary

Date