

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

December 9, 2023

**I. CALL TO ORDER/ROLL CALL**

President Dan McGeorge called the meeting to order at 9:02 a.m. The following persons participated:

Board Members

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

VRI Americas (VRI) and Resort Management

Rich Muller, Executive Vice President/VRI  
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 AND ACCEPTANCE OF MINUTES OF THE PREVIOUS MEETING**

- A. September 8, 2023 – Board Meeting Minutes
- B. September 9, 2023 – Annual Meeting Minutes for form and content
- C. September 9, 2023 – Organizational Meeting Minutes

There being no changes, the September 8, 2023 Board Meeting Minutes and September 9, 2023 Organizational Meeting Minutes are approved as presented the September 9, 2023 Annual Meeting Minutes are accepted for form and content.

**D. Owner Forum Correspondence**

Rich Muller, VRI's Executive Vice President, reported on a short overview of Royal Holiday Club's history with Winners Circle Resort as well as Royal Holiday's acquisition of intervals at other VRI managed resorts. As the Board was previously made aware in late 2022, Royal Holiday informed VRI and a number of resorts, including Winners Circle, that it intended to sell and/or relinquish inventory starting in 2023 but was persuaded to continue paying maintenance fees so as not to cause substantial revenue shortages at those resorts.

Mr. Muller explained that, given the scope of financial impact on affected resorts, Capital Vacations entered into confidential discussions with Royal Holiday with the goal of ensuring that Royal Holiday did not sell or transfer intervals to potentially adversarial parties and to develop a solution for VRI managed resorts that would be imminently impacted by the loss of Royal Holiday’s maintenance fees. Ultimately, Royal Holiday and Capital Vacations arrived at a global resolution whereby Capital Vacation Club would acquire a significant number of Royal Holiday intervals at various resorts and thereby assume a large portion of Royal Holiday’s maintenance fee obligations. As part of this global resolution, Capital Vacations acquired Royal Holiday’s intervals at Winners Circle Resort. Due to the scope of the overall transaction, a non-disclosure agreement was entered into that expired in September and Tom O’Brien and Rich Muller were then able to disclose details.

**IV. REPORTS**

A. Sales and Marketing

Year-to-date, 24 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 November 1, 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	<b>4.8</b>
Resort Hospitality	4.5	4.4	<b>4.6</b>
Resort Maintenance	4.5	4.3	<b>4.7</b>
Unit Maintenance	4.4	4.2	<b>4.5</b>
Unit Housekeeping	4.5	4.3	<b>4.7</b>

3. Action Items Report

Will add the suggestions from owners that attended the Annual Meeting.

4. Contracts

No discussion.

C. Financials

1. Monthly Report

The members of the Board acknowledge receipt and review of the latest month-end Financial Reports as of October 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 October 31, 2023 revenue was a negative variance to budget of \$99,738, and expenses were a positive variance to budget of \$82,436 with an overall negative net variance of \$17,302 prior to the auditors' adjustments.

3. Delinquency Report

As of November 20, 2023 there were 635 delinquent intervals which represented 13.2% of the owner base of 4,794 and \$574,954 in un-paid 2023 Assessments. There are currently 854 HOA accounts representing 17.8% of the total intervals. Combined with the delinquent intervals, there are 1,489 non-performing intervals representing 31.1%.

4. Expenditure Approvals

No expenditure approvals needed at this time.

5. Reimbursement Approvals

**MOTION:** Nichole Peterson moved to approve reimbursing the Operating Fund from the Reserve Fund in the amount of \$170,209.80 for expenditures made between August and November 2023. Motion was seconded by Larry Manley and approved unanimously.

6. ERC/Schonwit Proposal

**MOTION:** Nichole Peterson moved to accept and approve the Schonwit and Associates proposal at a cost not to exceed \$2,500. Motion was seconded by Paul Sandner and approved unanimously.

V. **OLD BUSINESS**

A. Tennis Court Land Opportunity

By consensus agreement the Board was content to keep the same terms and conditions in the lease with the Tennis Club.

**B. Fire Safety Update**

Terry Fraser reported that the panel is installed with only a few more connections to be made.

**C. Building One Model Unit**

Terry Fraser will continue to review project costs and report back to the Board at the next meeting.

**D. Insurance Valuation**

The Board reviewed a proposal to increase the coverage and will continue to investigate other opportunities to reduce the increasing costs for insurance.

The Board asked Terry to bring to the next meeting hard copies of insurance binders, naming the Association as additionally insured, from the restaurant and tennis club lessees.

**VI. NEW BUSINESS**

**A. Exterior renovation – Four Year Project**

Terry Fraser will continue to model plans for a four-year exterior renovation. The Board requested this information for their next meeting as well as an updated Reserve report.

**VII. OTHER BUSINESS**

**A. Owner Forum/Correspondence**

Nothing additional to review at this meeting.

**B. Suggested Meeting Dates for 2023 (\*Annual Meeting)**

Saturday, March 23, 2024 at 9:00 a.m.

Saturday, May 11, 2024 at 9:00 a.m.

Friday, September 27, 2024 at 4:00 p.m.

\*Saturday, September 28, 2024 at 10:00 a.m.

Saturday, December 7, 2024 at 9:00 a.m.

**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.

**D. Executive Session**

The Board adjourned to Executive Session at 1:06 p.m. to review and approve year-end bonuses, discuss a legal matter and approve Executive Session Minutes from September 8, October 5, 2023 and October 9, 2023. At the October 9, 2023 Special Executive Session meeting the Board accepted Asael Sandoval’s resignation and appointed Paul Sander to fill the balance of Mr. Sandoval’s term. The Board returned to Regular Meeting at 1:33 p.m.

**VIII. ADJOURNMENT**

There being no further business before the Board, McGeorge adjourned the meeting at 1:34 p.m.

Respectively submitted by,

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

\_\_\_\_\_  
Nichole Peterson, Secretary

\_\_\_\_\_  
Date