

WORLDMARK, THE CLUB
REGULAR MEETING OF THE BOARD OF DIRECTORS
November 21, 2019
Scottsdale, AZ

1. CALL TO ORDER

In attendance were John Henley, President and Director; Cecilia Cuevas, Vice President, Secretary and Director; Bob Hartsock, Director; Linda Hildebrant, Director; Kevin Maciulewicz, Director; Geoff Richards, Wyndham Destinations Chief Operating Officer; Richard Scinta, Wyndham Destinations Vice President – Club and Association Governance; Stephanie Shugarts, Wyndham Destinations Director – Owner Relations; Jodi Rogers, Wyndham Destinations Vice President – Accounting; David Oigarden, Wyndham Destinations Senior Counsel; Jason Geno, Wyndham Destinations Director – Club Management; Sheriff Masry, Wyndham Destinations Divisional Vice President; Shawn Losk, Wyndham Destinations Director, Accounting; Trina Miller, Wyndham Destinations Area Vice President, Sales; and owners Jack Clements, Sean Clements, Lonnie Selstad and David Bauer.

2. MEETING MINUTES

The Board reviewed the minutes from the September 19, 2019 regular board meeting, after which the following motion was made:

UPON A MOTION TO APPROVE THE MINUTES FROM THE SEPTEMBER 19, 2019 REGULAR BOARD MEETING, duly made by Linda Hildebrant and seconded by Bob Hartsock, the minutes were unanimously approved.

The board reviewed the minutes from the October 16, 2019 special board meeting, after which the following motion was made:

UPON A MOTION TO APPROVE THE MINUTES FROM THE OCTOBER 16, 2019 SPECIAL BOARD MEETING, duly made by Linda Hildebrant and seconded by Cecilia Cuevas, the minutes were unanimously approved.

3. PRESIDENT'S REPORT

John Henley reported that the Annual Meeting provided the board with the opportunity to meet many owners and that the board will continue to consider locations for the meeting which will draw a significant number of WorldMark owners. John spoke to the guest certificate as it has been in place for a full year, and noted that the board continues to consider the flexibility of the policy and the impact it has with owners planning family reunions, special gatherings, etc.

4. TREASURER'S REPORT

Jodi Rogers reviewed the Treasurer's Report dated October 31, 2019, including profits and losses, total revenues, total expenses, assessment receivables and reserves.

5. RESORT OPERATIONS HIGHLIGHTS

Sheriff Masry reviewed the Resort Operations Highlights for year end, including occupancy statistics, guest satisfaction scores and highlights, sustainability initiatives, and reserve study procedures.

6. SERVICES AND CLUB MANAGEMENT UPDATE

Jason Geno provided an update on Club Services statistics and enhanced Owner Education offerings.

7. MONTHLY FINANCIAL REVIEW

The Financial Review Committee was provided the Financial Package for the month ending August 31, 2019 on September 25, 2019 and the package for September 30 on October 28, 2019.

UPON A MOTION TO ACKNOWLEDGE AND RATIFY THE REVIEW OF THE REFERENCED FINANCIAL PACKAGE, duly made by Bob Hartsock and seconded by Kevin Maciulewicz, the motion was unanimously approved.

8. TRANSFER AUTHORIZATION

The Board, by written resolution dated February 14, 2019, authorized management to transfer association funds from the operating and reserve accounts related to the operation of the resorts and association. The detail of all such transfers made during the period of August 1 through September 30, 2019 was provided to the Board as part of the Monthly Financial Packages.

UPON A MOTION TO RATIFY ALL OF THE TRANSFERS MADE TO AND FROM THE ASSOCIATION'S OPERATING AND RESERVE ACCOUNTS FOR THE PERIOD OF AUGUST 1 – SEPTEMBER 30, 2019, duly made by John Henley and seconded by Bob Hartsock, the motion was unanimously approved.

9. ELECTION RESULTS

The board reviewed the certified election results as provided by the election tabulator Computershare. Cecilia Cuevas was elected as the Members-Only position, Linda Hildebrandt was elected to the At-Large position, and Kevin Maciulewicz was elected to the Developer position.

UPON A MOTION TO ACCEPT THE CERTIFIED ELECTION RESULTS, duly made by Linda Hildebrandt and seconded by John Henley, the motion was unanimously approved.

10. OFFICERS AND COMMITTEES

The board reviewed a proposed slate of officers to include John Henley as President, Cecilia Cuevas as Vice-President and Secretary, and Jodi Rogers as CFO. The board discussed the current committees and discussed the following proposed committees: Litigation Committee comprised of John Henley and Linda Hildebrandt; Audit Committee comprised of John Henley, Cecilia Cuevas and Kevin Maciulewicz; and Election Committee comprised of Cecilia Cuevas and Linda Hildebrandt.

UPON A MOTION TO APPROVE THE OFFICERS AND COMMITTEES AS PRESENTED, duly made by Cecilia Cuevas and seconded by Linda Hildebrandt, the motion was unanimously approved.

11. APPOINTMENT OF ASSISTANT SECRETARY

Stephanie Shugarts asked the Board to approve a resolution appointing Wyndham employee Rhonda Brown as Assistant Secretary of the Club for so long as she remains a Wyndham employee, for the purpose of allowing Ms. Brown to act as the Club's representative with respect to resort association matters.

UPON A MOTION TO APPROVE THE RESOLUTION AS PRESENTED TO THE BOARD, APPOINTING RHONDA BROWN AS ASSISTANT SECRETARY OF THE CLUB, duly made by John Henley and seconded by Linda Hildebrandt, the motion was unanimously approved.

12. AUDIT AND TAX ENGAGEMENT LETTERS

Jodi Rogers reviewed the engagement letters for CliftonLarsonAllen LLP to conduct the Club's annual audit and prepare the Club's tax returns.

UPON A MOTION TO ENGAGE CLIFTONLARSONALLEN LLP TO CONDUCT THE CLUB'S ANNUAL AUDIT AND TAX RETURNS, duly made by Linda Hildebrant and seconded by John Henley, the motion was unanimously approved.

13. INVESTMENT POLICY UPDATE

Jodi explained the proposed updates to the Club's Investment Policy, which is attached as Exhibit A.

UPON A MOTION TO APPROVE THE INVESTMENT POLICY AS PRESENTED, duly made by Linda Hildebrant and seconded by Cecilia Cuevas, the motion was unanimously approved.

14. DELINQUENCY POLICY REVIEW

The Board reviewed the delinquency policy currently in place and noted that no updates were required.

15. BOARD MEETING SCHEDULE

The Board reviewed a proposed schedule of meeting dates for 2020 including February 12, 2020 in Vancouver, B.C., June 11 in Orlando, FL, September 17 in Park City, UT and November 19, location to be confirmed.

16. SAN DIEGO PARKING LOT

Jodi Rogers asked the board to approve an amount not to exceed \$3.75M for the purchase of the San Diego parking lot to include closing costs and attorney fees, following the letter of intent that was executed in October 2019.

UPON A MOTION TO APPROVE THE EXPENDITURE OF NOT MORE THAN \$3.75M FOR THE PURCHASE OF THE SAN DIEGO PARKING LOT, duly made by Linda Hildebrant and seconded by Bob Hartsock, the motion was unanimously approved.

17. OWNER COMMENTS

John Henley showed appreciation for the owners that attended the meeting. The owners shared their thoughts with the board on Club Pass, the waitlist, guest certificates, communications and the listing of specific room types on the website.

There being no further business before the Board, the meeting was adjourned.


M. Cecilia Cuevas, Secretary