

WORLDMARK, THE CLUB
REGULAR MEETING OF THE BOARD OF DIRECTORS
September 19, 2019
Portland, OR

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; *Jason Geno*, Wyndham Destinations Director – Club Management; *Sheriff Masry*, Wyndham Destinations Divisional Vice President; *Shawn Losk*, Wyndham Destinations Director, Accounting; and owners Sam Gioia,, Jaci Eiquihua, Katie Winans and Barbara Huson.

2. MEETING MINUTES

The Board reviewed the minutes from the June 20, 2019 regular board meeting, after which the following motion was made:

**UPON A MOTION TO APPROVE THE MINUTES FROM THE JUNE 20, 2019
REGULAR BOARD MEETING**, duly made by Linda Hildebrant and seconded by Bob Hartsock, the minutes were unanimously approved.

3. PRESIDENT’S REPORT

John Henley reported that he had recently visited a number of WorldMark resorts, including Long Beach, Seaside and Portland. John noted the evolution of the resorts and resort experience during the tenure of the Club and highlighted the unique feel of the urban resorts, such as Portland, San Diego, Seattle and New Orleans.

4. TREASURER’S REPORT

Jodi Rogers reviewed the Treasurer’s Report dated August 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, and sustainability and savings.

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 May 30 on June 28, 2019; for the month ending June 30 on July 29, 2019; and for the month ending July 31 on August 29, 2019.

**UPON A MOTION TO ACKNOWLEDGE AND RATIFY THE REVIEW OF THE
REFERENCED FINANCIAL PACKAGE**, duly made by Cecilia Cuevas 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 May 1 – July 31, 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 MAY 1 – JULY 31, 2019, duly made by Cecilia Cuevas and seconded by Linda Hildebrant, the motion was unanimously approved.

9. PROPOSED 2020 BUDGET

Jodi Rogers reviewed the proposed 2020 budget including the proposed 2021 reserve budget and answer questions for the board.

10. 2019 & 2020 RESERVE SPEND

Jodi reviewed the proposed adjustment to the previously approved 2019 and 2020 reserve spends, noting the need for significant renovation work at WorldMark Kona.

UPON A MOTION TO APPROVE THE UPDATED 2019 AND 2020 RESERVE SPENDS BASED UPON ADDITIONAL NEEDS AT KONA AND SHIFTING RENOVATIONS THAT CAN BE DELAYED; duly made by Linda Hildebrant and seconded by Bob Hartsock, the motion was unanimously approved

11. ENGAGEMENT OF OUTSIDE COUNSEL FOR TAX VALUATION

Jodi explained that the state of Washington is challenging Wyndham on the tax rate currently being paid, indicating that this could result in a \$5M tax bill. Wyndham recommends to engage tax counsel to evaluate and recommend next steps.

UPON A MOTION TO ENGAGE OUTSIDE COUNSEL WITH MONTHLY REPORTING AND NOT TO EXCEED \$100,000, duly made by Cecilia Cuevas and seconded by Linda Hildebrant, the motion was unanimously approved.

12. RATIFICATION OF CAMLIN EXTERIOR LIGHTING

In 2017, the board was informed of the city of Seattle's Convention Center expansion plan, which included providing additional exterior lighting to the Camlin to highlight its historical appearance. The Board was notified of an updated plan to install exterior LED lights to the building. In the essence of time, Stephanie Shugarts signed the lighting proposal on behalf of the board.

UPON A MOTION TO RATIFY STEPHANIE SHUGARTS' SIGNATURE ON THE CAMLIN LIGHTING PROPOSAL, duly made by Bob Hartsock and seconded by Linda Hildebrant, the motion was unanimously approved.

13. RATIFY LETTER OF INTENT FOR SAN DIEGO PARKING LOT

The Board previously considered an opportunity to purchase the parking lot near WorldMark San Diego – Balboa Park. The opportunity was again presented to WorldMark and following legal and financial due diligence, the Board acknowledged the Board's previous decision to pursue the purchase. Using authority previously granted to John Henley to sign documents for this purpose, John Henley signed a letter of intent on behalf of WorldMark, The Club.

UPON A MOTION TO RATIFY JOHN HENLEY'S SIGNATURE ON THE LETTER OF INTENT TO PURCHASE THE SAN DIEGO PARKING LOT, duly made by Cecilia Cuevas and seconded by Linda Hildebrant, the motion was unanimously approved.

14. 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