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Newsletter

[www.villagewestresort.com](http://www.villagewestresort.com)

E-Mail Address: [fun@villagewestresort.com](mailto:fun@villagewestresort.com)

2021

Be sure to double check your arrival and departure date(s) for the upcoming year.

A 2021 calendar is printed on this page for your convenience & 2022 is on the back page.

If you like, call the Reservations Department to confirm your dates at 712-337-3223 ext. 451.

## NOTICE OF ARRANGEMENTS FOR ANNUAL MEETING

Due to current limitations on public gatherings, the Annual Meeting of Members of the Sunrise Cove Timeshare will be conducted using Zoom's video conferencing. The meeting will begin on **Monday, December 14, 2020 at 10:00 a.m.**

If you are interested to join the meeting please send your request by email to [info@goodmanagement.com](mailto:info@goodmanagement.com) and include your name. Feel free to send us your questions and comments in advance.

After registering, you will receive a confirmation email containing information about joining our webinar. We're looking forward to your participation!

### Check-in Time

The Resort's check in is after 4:00 p.m.

OR

AS THE UNITS ARE CLEAN FOR YOUR USE.

Week Number	Friday to Friday	Saturday to Saturday	Sunday to Sunday
1	Jan.1-Jan.8	Jan.2-Jan.9	Jan.3-Jan.10
2	Jan.8-Jan.15	Jan.9-Jan.16	Jan.10-Jan.17
3	Jan.15-Jan.22	Jan.16-Jan.23	Jan.17-Jan.24
4	Jan.22-Jan.29	Jan.23-Jan.30	Jan.24-Jan.31
5	Jan.29-Feb.5	Jan.30-Feb.6	Jan.31-Feb.7
6	Feb.5-Feb.12	Feb.6-Feb.13	Feb.7-Feb.14
7	Feb.12-Feb.19	Feb.13-Feb.20	Feb.14-Feb.21
8	Feb.19-Feb.26	Feb.20-Feb.27	Feb.21-Feb.28
9	Feb.26-Mar.5	Feb.27-Mar.6	Feb.28-Mar.7
10	Mar.5-Mar.12	Mar.6-Mar.13	Mar.7-Mar.14
11	Mar.12-Mar.19	Mar.13-Mar.20	Mar.14-Mar.21
12	Mar.19-Mar.26	Mar.20-Mar.27	Mar.21-Mar.28
13	Mar.26-Apr.2	Mar.27-Apr.3	Mar.28-Apr.4
14	Apr.2-Apr.9	Apr.3-Apr.10	Apr.4-Apr.11
15	Apr.9-Apr.16	Apr.10-Apr.17	Apr.11-Apr.18
16	Apr.16-Apr.23	Apr.17-Apr.24	Apr.18-Apr.25
17	Apr.23-Apr.30	Apr.24-May 1	Apr.25-May 2
18	Apr.30-May 7	May 1-May 8	May 2-May 9
19	May 7-May 14	May 8-May 15	May 9-May 16
20	May 14-May 21	May 15-May 22	May 16-May 23
21	May 21-May 28	May 22-May 29	May 23-May 30
22	May 28-Jun.4	May 29-Jun.5	May 30-Jun.6
23	Jun.4-Jun.11	Jun.5-Jun.12	Jun.6-Jun.13
24	Jun.11-Jun.18	Jun.12-Jun.19	Jun.13-Jun.20
25	Jun.18-Jun.25	Jun.19-Jun.26	Jun.20-Jun.27
26	Jun.25-Jul.2	Jun.26-Jul.3	Jun.27-Jul.4
27	Jul.2-Jul.9	Jul.3-Jul.10	Jul.4-Jul.11
28	Jul.9-Jul.16	Jul.10-Jul.17	Jul.11-Jul.18
29	Jul.16-Jul.23	Jul.17-Jul.24	Jul.18-Jul.25
30	Jul.23-Jul.30	Jul.24-Jul.31	Jul.25-Aug.1
31	Jul.30-Aug.6	Jul.31-Aug.7	Aug.1-Aug.8
32	Aug.6-Aug.13	Aug.7-Aug.14	Aug.8-Aug.15
33	Aug.13-Aug.20	Aug.14-Aug.21	Aug.15-Aug.22
34	Aug.20-Aug.27	Aug.21-Aug.28	Aug.22-Aug.29
35	Aug.27-Sep.3	Aug.28-Sep.4	Aug.29-Sep.5
36	Sep.3-Sep.10	Sep.4-Sep.11	Sep.5-Sep.12
37	Sep.10-Sep.17	Sep.11-Sep.18	Sep.12-Sep.19
38	Sep.17-Sep.24	Sep.18-Sep.25	Sep.19-Sep.26
39	Sep.24-Oct.1	Sep.25-Oct.2	Sep.26-Oct.3
40	Oct.1-Oct.8	Oct.2-Oct.9	Oct.3-Oct.10
41	Oct.8-Oct.15	Oct.9-Oct.16	Oct.10-Oct.17
42	Oct.15-Oct.22	Oct.16-Oct.23	Oct.17-Oct.24
43	Oct.22-Oct.29	Oct.23-Oct.30	Oct.24-Oct.31
44	Oct.29-Nov.5	Oct.30-Nov.6	Oct.31-Nov.7
45	Nov.5-Nov.12	Nov.6-Nov.13	Nov.7-Nov.14
46	Nov.12-Nov.19	Nov.13-Nov.20	Nov.14-Nov.21
47	Nov.19-Nov.26	Nov.20-Nov.27	Nov.21-Nov.28
48	Nov.26-Dec.3	Nov.27-Dec.4	Nov.28-Dec.5
49	Dec.3-Dec.10	Dec.4-Dec.11	Dec.5-Dec.12
50	Dec.10-Dec.17	Dec.11-Dec.18	Dec.12-Dec.19
51	Dec.17-Dec.24	Dec.18-Dec.25	Dec.19-Dec.26
52	Dec.24-Dec.31	Dec.25-Jan.1	Dec.26-Jan.2
53	Dec.31-Jan.7		

## Welcome

To all the new Sunrise Cove Unit Owners  
Information from questions asked

**Time-share:** A right to occupy a time-share unit, coupled with an interest in real estate property that has the character and incidents of an estate in fee simple. It does not include real estate it is located on.

**Sunrise Cove Time-share Association Inc.:** Is not-for-profit Iowa Corporation organized to operate, govern, administer and manage the units and affairs of the Sunrise Cove Time-share Association located on Village West Resort property.

**Sunrise Cove Time-share Association:** Has no employees. It hires Village West and other contractors to provide services to the Association.

**Goodmanagement LLC:** Is an independent management company that operates the Sunrise Cove Timeshare Association.

**Maintenance Fee:** Includes all the cost of a unit week, electricity, taxes and so on...not just maintenance (all listed on statement) and collected by the Association.

**Bonus Time:** A period of time set forth for extra use, which is mainly during the off season. Currently, the

owner of the resort has allowed usage during the week when available. At this time, Time-share owners are able to use their credits or given a discount in the hotel.

**Village West Resort:** Is a private owned property that Sunrise Cove owners' located on. Village West Resort operates as tenants everything except units owned by Sunrise Cove owners.

### COV

It is understood that the believers and non-believers in the COVID-19 virus.

Anyone who purchased and owned a week was able to use their deeded week they own if they so desired. Your deeded weeks are considered like your home, so state restrictions did not apply. However, Village West is considered a commercial operation and operates under the order to comply with their mandates, including closing its hotel operation to limit the number of people on the property to attempt to stop any spread and be out of compliance. To date it seems to have worked, no sick employees or guests. It was not worth the risk of the State closing the whole resort. For those of you who thanked the staff and the resort for the way this whole thing was handled...it is appreciated. We hope our outside contractors will return this fall to finish projects started before the spring shut down.

## **Resort Reminders for Sunrise Cove Members:**

1. YOU ARE RESPONSIBLE FOR YOUR GUESTS AND RENTERS!
2. The Resort quiet time begins at 11:00 p.m. and the Resort curfew of 11:00 p.m. is still in effect for those under the age of 18.
3. There are no fires on the beach unless it's a supervised activity by the Resort staff.
4. Due to zoning, there are no tents allowed or occupied campers.
5. All trailers are to be parked in the West Boat & Trailer parking lot.
6. Docks are private docks; some are dedicated to the tenant at the Boat House; do not park behind hoists.
7. Overnight boats tied up to docks are not permitted. Any boats in violation may be untied or fined.
8. No gas cans on the docks or next to units.
9. Please do not enter another person's boat unless invited.
10. Our docks are meant for drop off or pick up only.
11. No bikes or skateboards on the docks.
12. Check in is after 4:00 p.m. or as the units are cleaned for your use.
13. Yelling, screaming or simply being rude will not be tolerated. You will be removed and your check in packet will be brought to you outside.
14. Good employees are hard to find, so please be respectful!
15. Do not damage or destroy property.

**NO SMOKING**

**is permitted in the timeshare units.**

Towel & Linen Exchange  
Open Wednesday's  
8:00 A.M. – 12:00 P.M.



MINUTES OF THE ANNUAL MEETING  
OF THE MEMBERSHIP OF SUNRISE COVE TIME-SHARE ASSOCIATION, INC.

The Annual Meeting of the Membership of the Sunrise Cove Time-Share Association, Inc., an Iowa non-profit corporation, was held on the 26th day of October, 2019. The meeting was called to order by Michael Hoepfner at 3:08 p.m. in the Sales Meeting Room at Village West Resort & Hotel in Spirit Lake, Iowa.

Mr. Hoepfner introduced himself as President of the Association, Presiding Officer and acting Chairperson of the Annual Meeting of the Membership.

Mr. Hoepfner delivered the quorum report.

The presence of the following members in combination with the Developer's interests constituted a quorum, as required by the Association by-laws in order to conduct further business:

- |                           |                             |                             |                             |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|
| 1. Karren Stephens        | 10. Dale & Nancy Bruns      | 19. Donna Kekich            | 28. Ruth French             |
| 2. Terry Klemme           | 11. Kevin & Twila Conklin   | 20. Marj Wellendorf         | 29. Harold Wesley           |
| 3. Fred & Cindy Brough    | 12. Kenny & Joann Dubois    | 21. Sarah Birdwell          | 30. Norman Tvedte           |
| 4. Ken & Darlene Brummond | 13. Bill Heymen             | 22. Mick & Jean Theisen     | 31. Jack & Betty Salzsieder |
| 5. Wayne & Sally Ortman   | 14. Bill & Pam Groeneweg    | 23. Bob & Sharon Kirschbaum |                             |
| 6. Caresse Hotovy         | 15. Sandy & Lori Fetterman  | 24. Chuck & Kim Heck        |                             |
| 7. Roxanne & Roger Kasa   | 16. Robert & Gayle Petersen | 25. David & Cheryl Squires  |                             |
| 8. Dale Axtell            | 17. Gina Folsom             | 26. Maurice & Diana Hilman  |                             |
| 9. Verne Eckman           | 18. Sherry Folsom-Meek      | 27. John & Kim Norvig       |                             |

Proof of notice of the meeting was submitted by Mr. Hoepfner. Ms. Stephens confirmed that the notice of meeting was distributed on or around August 16, 2019 by First Class Mail. Mr. Conklin also certified that he received notice on or about August 26, 2019. Proof of quorum was also submitted by Mr. Hoepfner.

Mr. Hoepfner reported that the 2018 Annual Meeting minutes were submitted in the newsletter. Ms. Stephens made the motion to waive readings of the minutes from the Annual Meeting held on the 27th day of October, 2018, and approve them as written. Motion seconded; all "ayes." Everyone in favor; motion carried.

Mr. Hoepfner announced there were 2 parties (Judy Belitz and Roxanne Kasa) running for one seat on the Sunrise Cove Board of Directors. Rules of the election were provided in the handout as well as candidate profiles. Each candidate was given 2 minutes to speak. Two members, Kevin Conklin and Fred Brough were approved as volunteer inspectors of the election and stepped out of the meeting, momentarily, to count all the valid proxies.

**Continuing and New Business:**

Mr. Hoepfner reminded the members that years ago our electricity only came from one direction, but a while back, he had the electric company come and put in a feed from the other direction so if power goes off south of the resort, we can now be fed from the north end.

Mr. Hoepfner stated that the tv cable boxes that were taken out of the units may have to get put back in because of hackers.

Mr. Hoepfner informed the association that Mediacom came to the resort and upgraded our internet equipment so that we can receive 5G speeds, which is the fastest in the area. 4 senders have been purchased to set up around the resort to have Wi-Fi throughout. A network person will be out soon to set up the units and then an internet person can get them programmed to send and receive signals. A map was placed on all the tables to show where these senders will be placed, potentially. Mr. Hoepfner is hoping that only a total of 8 units will be needed, but depending on the signals received we may have to have as many as 10. The reasoning for sending more units could be because of trees, wiring and buildings in the way of the direct line of sight for the signal. The cost is significantly less at \$7,000, compared to the previous bid of \$150,000.

Mr. Hoepfner wanted to remind the association that there is trailer parking available on the west side of the property. If you need to unload at your unit, please be considerate of your neighbors and do so quickly.

Once again, Mr. Hoepfner noted that the reason the front desk needs to know who is in every unit is not only for security reasons, but safety reasons as well. If a person cannot prove that they belong to a unit, they will not be given access and will be asked to leave or sent to jail. If a person can be linked to a certain unit by registration there are fewer problems! Also, members that check in kids and leave will not be tolerated!

Mr. Hoepfner explained that if a member rents out their unit, they MUST inform their renters of the association and resort rules and policies.

Mr. Hoepfner reiterated to members that the dumpsters on property are for the garbage from your units, while you are here. DO NOT bring garbage from home. There are many days where the amount of garbage on property is a problem already and bringing additional garbage makes it worse. He also wanted to remind members that if the dumpster looks full on one side, it may actually be empty on the opposite side. Please walk around and open the opposite lid to dispose of waste.

Mr. Hoepfner updated the members on the II exchange company situation. He said that one of their representatives came to Village West Resort and Sunrise Cove. The guy liked the place and said everything looked good. When Mr. Hoepfner asked for a copy of the contract and went over it, he questioned most of the details. The lawyers for II wanted to have Mr. Hoepfner come to Miami to go over the contract. Mr. Hoepfner asked the members that were present at the meeting if they would like to pursue this anymore and no one seemed to be on board to continue the matter. A member did ask about RCI and Wyndham and Mr. Hoepfner wanted to let the members know, again, from last year's meeting, that RCI is a part of the Wyndham Destination Network and the Wyndham Worldwide family of brands. Along with the RCI discussion, Mr. Hoepfner reminded the members that once an owner deposits their week with RCI, Sunrise Cove cannot touch it to rent it out! That is why units are sometimes empty during busy times of the year.

Mr. Hoepfner asked for solutions as to what to do when units get water damage from negligence. Examples of this problem would be clogging the toilet and letting it overflow so bad that it ruins that unit as well as ones below it or overflowing the bath tub or splashing so much water out of the shower that it ruins flooring, walls and/or ceilings. After a few ideas were thrown out by association's members, one member made a motion to charge that unit owner the cost of materials plus the labor. The motion was seconded and all voted in favor of the motion.

Mr. Hoepfner wanted to remind the members again if they show up to their unit and something is broken to get ahold of the front desk and maintenance will be there as soon as possible. If it's the weekend and there are other more pressing calls, they will be remedied first. Waiting until you check out to let someone know about a problem doesn't give the staff enough time to fix whatever is wrong. During the off season there is plenty of time to get things fixed, but in the summer there just isn't enough time! Along those lines, Mr. Hoepfner also stated to the group that once again the lack of labor has been an issue this year. Currently, he has had to hire a cleaning service to come in and help our housekeepers just to get caught up!

Mr. Hoepfner sternly reminded the members about a few things that should be common sense. First, when you arrive for your stay-do not overpack your fridge and freezer because it will freeze up! Secondly, rinse off your dishes before they go in the dishwasher. Thirdly, make sure the doors to the outside are closed. Last winter one of the east wing outside doors did not get shut on an evening where we had -40 degree windchills and the water pipes burst and ruined 6 units completely. Only by luck, did Mr. Hoepfner and one maintenance guy catch it before the whole east wing was destroyed. Fourthly, leave the wildlife alone around the resort-this is coming from the DNR! Finally, please do not leave your belongings all around the units. Make sure they are picked up and put on your decks or patios. It makes it difficult to mow and hard for people to walk around when things are all about in the grassy areas.

Mr. Hoepfner let it be known, again this year, that the state of Iowa has mandated that anyone under the age of 12 must be accompanied by an adult in the swimming pool area. This is a state code and if children are found without supervision, they will be kicked out. According to the state of Iowa, an adult is anyone over the age of 18.

Mr. Hoepfner explained that because of the abuse, liability and total disrespect for other guests, the resort will, in 2020, follow the ordinance set out in the Iowa law code 727.2 (Fireworks) and adopted by Dickinson County, Iowa: which in summary states that fireworks will be permitted UNTIL 11PM on July 4th. If any other members have questions, please look up the code which is available online.

Mr. Hoepfner wanted to let the members know the measures that are being made around the resort to prevent damages. First, all the outside units with fireplaces have been equipped with thermostats so that if the unit gets down to a certain temp, the fireplace kicks on to keep it warm enough to not freeze and similarly in other outside units there are watchmen hooked to lamps that turn on and alert someone if the temperature gets too low. Secondly, screens have been installed around the air conditioners to help them block the heavy cotton that's been falling from the trees and ruining the A/C units. Thirdly, the first building of L-units have had drains dug in and there will be some new sloping to the landscaping to help keep heavy rain water away from the building. Lastly, Mr. Hoepfner said he's still trying to figure out what to do with some of the K-units that take on the heavy rains.

Mr. Hoepfner voiced concern about how hard it has been to get companies to come out and do manual labor on things such as painting and gutter repairs. The commitment and dedication are just not there at the local places anymore. Even if a contractor is found, a lot of times they don't have the staff to get the job done. He did want the members to know that a painting crew out of Sioux Falls will be coming to paint the outside of the units as soon as the weather cooperates.

A discussion ensued about the game room being fixed up. Mr. Hoepfner explained that the indoor golf area has been updated and fixed several times and then right away ruined by people who are disrespectful. Indoor projects like that will be fixed in the winter months when there is more time available. Mr. Hoepfner said that, unfortunately, all of that time last winter was spent redoing the east wing units that were ruined when the pipes froze. He also said that if he fixes things, he expects them to be appreciated! A member then commented that if you see someone being disrespectful, say something. Remedy the problem before it gets out of hand.

Mr. Hoepfner wanted it to be put in the minutes that if you want to run for the board, get ahold of the sales team before the newsletter is sent out so that your name and bio can be included and people know a little more information about you before proxy cards are sent out.

A member asked why the board members were not required to be at the annual meetings. Mr. Hoepfner explained that he has let the group (those present at the meeting) make decisions on major issues as a whole and that the board is only there if the group cannot decide on something. Before Mr. Hoepfner was here, he explained, the members were not involved in decision making and that the board made ALL decisions. Mr. Hoepfner felt that this was not the fairest way to go about things and that's why he has these yearly long meetings so that those present can voice the opinions and then group vote on issues.

A member posed the question of changing the by-laws of the association to require all board members to be present at the annual meetings. Mr. Hoepfner explained that that would be a procedural rule that would require hiring a lawyer to change.

The election results were reported: Judith Belitz was re-elected for a 2-year term on the board of directors.

A motion was made to adjourn the meeting and then head up to the Queen's room for dinner. Motion was seconded. All "ayes"; everyone in favor; motion approved.

There being no further business, the 2019 Annual Meeting of the Membership was adjourned at 5:26 p.m.

Door Prize Drawing and Dinner to follow in the Queen's Room at Village West Resort & Hotel.

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Submitted by Allison Waltman, Recording Secretary

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Approved by Michael Hoepfner, President

## 2020 Sunrise Cove Maintenance Fee Schedule

	Studio	1 Bed	1 Bed Spa	Townhse	Lockout 1 Bed B	Lockout 1 Bed A	Lockout AB	Rustic	Mansion	Lockout 2 Bed AorB	Lockout 4 Bed AB
Administration	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41	\$73.41
Maintenance Materials	\$74.62	\$111.47	\$99.28	\$119.52	\$76.49	\$106.61	\$147.36	\$185.20	\$183.20	\$100.83	\$132.14
Recreation Services	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88	\$14.88
Recreation License	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65	\$44.65
Insurance	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62	\$23.62
Utilities	\$74.62	\$122.17	\$118.13	\$136.39	\$78.51	\$119.29	\$168.34	\$189.93	\$186.38	\$129.02	\$233.84
Front Desk	\$64.75	\$64.75	\$64.75	\$64.75	\$64.75	\$64.75	\$64.75	\$64.75	\$64.75	\$121.16	\$121.16
Housekeeping/Laundry	\$74.00	\$128.91	\$123.72	\$164.50	\$102.34	\$141.18	\$198.88	\$241.06	\$228.95	\$156.01	\$356.82
Annual Audit	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Contract Labor	\$24.10	\$47.18	\$45.37	\$53.85	\$36.43	\$51.39	\$60.34	\$77.41	\$81.73	\$54.94	\$92.77
Bad Debt	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Replacements & Repairs	\$42.96	\$73.25	\$70.18	\$78.41	\$47.63	\$69.63	\$91.49	\$188.99	\$184.07	\$80.00	\$96.04
Management Consulting Fee	\$16.48	\$24.20	\$23.42	\$27.04	\$18.50	\$24.30	\$29.81	\$39.64	\$38.94	\$27.50	\$44.34
Security	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37	\$2.37
Real Estate Taxes	\$26.95	\$53.46	\$50.80	\$63.23	\$37.71	\$59.69	\$72.74	\$106.51	\$104.09	\$64.82	\$119.91
<b>Maintenance Fees*</b>	<b>\$584.70</b>	<b>\$811.61</b>	<b>\$781.87</b>	<b>\$893.91</b>	<b>\$648.58</b>	<b>\$823.06</b>	<b>\$1019.93</b>	<b>\$1279.72</b>	<b>\$1258.31</b>	<b>\$920.50</b>	<b>\$1383.24</b>

*Statements for all accounts are mailed in December and due by January 30.*

*\*Maintenance fees are subject to change.*

### Do you have new contact information?

If you have a new phone number, address or email, please notify the Sunrise Cove Sales Office.

712-337-3223 ext.875 (OR) [sales@villagewestresort.com](mailto:sales@villagewestresort.com)

### Member Reminders & Updates

1. If you are unsure of your arrival/departure dates, please call ahead to verify your week with Reservations.
2. The Reservations Department requires at least a two (2) week notification to Bonus Pool your week(s). We do not allow LATE BANKINGS! Deadline to Bonus Pool is fourteen (14) days prior to arrival date of week.
3. Maintenance Fees must be paid in full prior to usage or bonus pooling.
4. Maintenance fees must be paid by due date or any weeks that have been previously bonus pooled will be removed from the members account. Credits will not be reinstated for any reason.
5. No private party will be allowed to check-in under the members account unless the member has made arrangements prior to arrival date. You must contact the Reservations Department for confirmation.
6. Individuals must be twenty-one (21) to check-in and stay. The person checking in must be staying for the entire visit.
7. A credit card is required to check-in for a security deposit. The credit card WILL be authorized.
8. Bonus time requests, member inquiry or bonus pooling must call ext. 451.
9. The number of persons in each unit cannot exceed the maximum occupancy due to fire and safety codes.
10. Check-out procedures are posted on the front of your check-in envelope as well as in your Guest Directory. Please follow the procedures to avoid additional charges. Any charges due to excessive disarray, stains and late check-outs will be billed directly to your account.
11. Check-out time is at 10:00 a.m. All persons and belongings must be out of unit at this time. We do not permit any late check-outs!
12. When using credits in the hotel, bookings can be made only fourteen (14) days in advance. Paying discounted member rate in hotel may be booked several months in advance.

## **GOLD CARD USAGE & REGULATIONS**

**The Gold Card can be revoked at anytime**

1. Gold card usage & benefits are limited to: Sunrise Cove Members & Immediate Family (Registered names on Family Usage Card at resort)
  2. Gold Card holders receive discounts on a year-round basis, however usage may be limited.
  3. Gold Card discounts are not available on alcoholic beverages.
  4. For all discounts, Gold Cards MUST be shown at time of purchase.
  5. Discounts will not be applied at check-out.
  6. All Gold Card members are required to comply with Resort rules.
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### **Is Your Family Growing?**

Courtesy Tours and/or purchases of Sunrise Cove Timeshare units are available. If you are interested in receiving more information regarding either, please contact us at 712-337-3223 ext. 250.

### **Renting your Timeshare**

The Resort offers a Rental Program for those who are unable to use their unit. Please let us know as soon as possible if you are interested in having your unit rented out for you. The rental prices are enclosed in the newsletter (page 11). For rental information, please call 712-337-3223 ext. 250.

### **Selling Your Timeshare**

There are many companies in this market claiming they will sell your timeshare for you. Please do your research prior to committing. The majority of these companies will not only take your money, but also fail to complete the closing process. Sunrise Cove does not offer a re-sale program or real estate advice. We do, however, have a list of information to help you. You can find that information on our website ([www.villagewestresort.com](http://www.villagewestresort.com)) under Sunrise Cove Member Information. Your loan and **maintenance fees need to be paid in full** prior to selling. If you have any questions, please call 712-337-3223 ext. 875.

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### **Resorts' NO pet policy**

Please be reminded that the rules and regulations for the Association state that "no bird, reptile, animal or pet of any kind shall be kept or harbored in the unit or on the Timeshare or Resort property unless the same, in each instance, be expressly permitted in writing by the Association." The Board of Directors have put in place a financial penalty for any violation of this policy. If you have a pet, call us and we will be happy to refer you to a nearby facility to house your pet during your stay at Village West Resort & Hotel.

*Reservations*  
712-337-3223 ext. 451

Any member of Sunrise Cove that is NOT checking in MUST inform the Reservations Department of who their guest will be. This would include any Bonus Time Reservation or Members week. *If this information is not provided* your guest will not be permitted to check in. Any internal RCI Exchange requires a "Guest Certificate" if someone other than the RCI Member will be checking in and/or staying in that unit.

When using credits in the Village West Hotel you may book *two (2) weeks prior* to your requested arrival date. If a Member is paying the discounted rate in the Hotel, then this may be booked well in advance.

## **BONUS TIME GUIDELINES**

Bonus Time is a benefit allowing Sunrise Cove Members to rent timeshare units from the Homeowners' Association at reduced rates for usage in addition to any week(s) owned. The following guidelines govern the Bonus Time Program:

### Usage

Bonus Time is for Gold Card Members in good standing (current on maintenance fees and loan payments) and/or their immediate family (including spouses, children, parents, siblings, grandparents and grandchildren). It does NOT include aunts, uncles, nieces, nephews, cousins or friends. Person(s) checking in and staying must be at least 21 years old.

### Availability

Bonus Time is based on usage of "Designated Weeks" (seven blue weeks from each unit), and/or Weeks or Days deposited in the Bonus Time Pool by Members. Bonus Time availability is NOT guaranteed.

### Requests

Only Members may request Bonus Time. Only one (1) request *per member account* may be pending at a time. Bonus Time requests are taken no sooner than two (2) weeks (1-14 days) prior to usage. Requests are satisfied on a first come, first serve or space available basis. Requests for multiple units are satisfied upon availability ten days prior to arrival date. Bonus Time Reservations MUST be made during reservations hours -No bonus time will be used unless the reservation is made during these hours.

### Confirmations

The reservation must be guaranteed by a credit card at the time the request is made to receive a reservation number. The Reservationist will now require a credit card each time you make a reservation. We are no longer able to keep past credit card numbers on file. **Any confirmed reservations (one or more nights) must be cancelled 72 hours prior to date of arrival.** If a reservation is cancelled after the 72-hour deadline, they will incur a charge, equal to bonus time nightly rate for the unit type reserved and/or bonus time credits will be lost. Also, please keep in mind that one CANNOT change the original bonus time reservation arrival date if it was booked 14 days prior to arrival. A member can make changes at the end of a bonus time reservation but not at the beginning. If one needs to change the arrival date, a new reservation will have to be made according to the "first come, first serve" policy. If members are on a wait list, they will be called first when cancellation occurs. Any other changes such as converting credits to bonus time rate or vice versa, need to be changed prior to date of arrival with the Reservations Department. They cannot be changed at the Front Desk upon check-in or check-out.

### Bonus Time Rates (State Tax Included) As of July 1, 2017

Studio Suite	\$70/night	L Row B Studio	\$70/night
Executive Studio	\$90/night	L Row B One Bdrm	\$85/night
Studio Spa Suite	\$90/night	L Row B Two Bdrm	\$115/night
One Bdrm Suite	\$85/night	L Row A One Bdrm	\$85/night
One Bdrm Spa	\$100/night	L Row A Two Bdrm	\$115/night
Two Bed TH	\$95/night	L Row AB Two Bdrm	\$115/night
Three Bd TH	\$125/night	L Row AB Four Bdrm	\$195/night
Mansion	\$140/night	Rustic	\$150/night

### Payments

Advance payments by credit card, check or money order is accepted but not required. Advance payments are refunded if reservations are cancelled 72 hours prior to check-in. Total lodging charges are not reduced upon early departure. Full payment is required at check-out. Gold Card lodging discounts DO NOT apply to Bonus Time usage.

## **SPLIT WEEK GUIDELINES**

Split week usage is a Gold Card benefit which allows members to take their week or weeks and split them into several vacations at Sunrise Cove. The following guidelines govern the split week option for members in good standing.

### **Split Week Pooling**

Members in good standing may deposit 1 to 7 days of their week or weeks in the bonus time pool in exchange for credit to be used at a different time, *subject to availability*. Bonus pooled credits are good for two years starting from the year they were pooled and will expire on the day before your week begins. Example- If the week pooled was 2007, they would expire in 2009. If you have a week 16 and it starts on April 18 in 2009, your 2007 credits would expire on April 17, 2009 (the day before you would check-in).

Split and pooled time must be done *no later* than 2 weeks prior to the start of your week. This time may be used by family members or friends. Also, the reservation can ONLY be made by the OWNER of the timeshare.

Credits are redeemed at the rental rate of the size of the unit deposited (or smaller) and applied to the rental rate of the unit reserved. Reserving larger units than what is deposited require upgrade costs per night (the difference between the sizes of the units). No refunds are granted when credits are redeemed in a smaller unit than what is deposited.

The maintenance fee you pay per year allows you one complete cleaning of your unit. If you split your week, your first usage is a part of your annual maintenance fee. Your second or third visit will have a modest cleaning fee per stay (not per night) to compensate your Member's Association for the additional cleans.

### **Split Week Cleaning Fees:** (State Tax Included) As of January 1, 2015.

Studio	\$41.75	L Row B Studio	\$41.75
Executive Studio	\$47.25	L Row B One Bedroom	\$56.50
Studio Spa	\$50.00	L Row B Two Bedroom	\$71.00
One Bedroom	\$56.50	L Row A One Bedroom	\$56.50
One Bedroom Spa	\$59.50	L Row A Two Bedroom	\$71.00
2 Bedroom TH	\$66.00	L Row AB Two Bedroom	\$90.00
3 Bedroom TH	\$75.00	L Row AB Four Bedroom	\$115.00
Mansion/Rustic	\$98.50		

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## **Sunrise Cove Reservation Hours**

**Phone Number: 712-337-3223 ext. 451**

A reservationist is available to take Member calls between business hours.  
Any voicemail messages you leave will be returned in the order received.  
No messages are taken after hours.

Monday - Friday: 8am to 3pm  
Saturday & Sunday: Closed

## **Current Policy on using Sunrise Cove Credits in Village West Hotel rooms**

June 18, 2021 – August 30, 2021

Sunrise Cove Members will be able to use Bonus Time Credits in the hotel on  
MONDAY, TUESDAY, WEDNESDAY AND THURSDAY evenings.

**No Bonus Time Credits are able to be used in the hotel on  
FRIDAY, SATURDAY OR SUNDAY evenings.**

4<sup>th</sup> of July:

Bonus Time Credits will not be able to be used on this holiday.

August 25, 2020 – June 17, 2021

August 24, 2021 – June 16, 2022

Sunrise Cove Members are able to use Credits in the hotel any day of the week.

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### **2 Night Minimum required** *(June 25, 2021-July 31, 2021)*

During the month of July, there will be a 2-night minimum requirement when booking a  
hotel room during the weekends (Friday & Saturday).

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### **Notice to Members renting out their unit privately**

*If you have rented out your timeshare unit, prior arrangements  
**MUST be made before the day of check in.***

The Member is required to contact the Reservations department with the renter(s) name. If you  
have not done so, your renter will not be able to check in! Also, the Member is responsible to  
inform their renter of the Resort policies and procedures to avoid additional charges for  
excessive disarray, stains and damages or stolen property. If this occurs, the Member will be  
charged accordingly.

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### **NEW Iowa Law**

The Iowa House passed a bill using service animals in the state. Lawmakers voted in favor of  
Senate File 341, called the Iowa Service Animal Bill. Service animal owners would be liable  
for any damage done to a dwelling. In addition, if a person intentionally misrepresents an  
animal as a service animal, then they could be found guilty of a simple misdemeanor.

<p><b>Village West Boat House</b> (712) 337-3223 ext. 239</p> <p>Daily &amp; Weekly Boat Hoist Rentals 24-Hour Gas Dock Snacks, Ice &amp; Beverages available here!</p> <p><i>Open: Seasonally</i></p>	<p><b>Make-A-Wake Watersports</b> (712) 337-3223 ext. 238</p> <p>Boat &amp; Jet Ski Rentals <i>*ask about our 8-hour special!</i></p> <p>Along with wakeboards, skis, kneeboards, Kayak &amp; Maui Mat Rentals!</p> <p>Open: Seasonally</p>
<p><b>Stone's Throw Gift Shop</b> (712) 337-3223 ext. 297</p> <p>We have something for everyone! Okoboji souvenirs Home Décor Shoes/Clothing</p> <p><i>Open: Year Round</i></p>	<p><b>Boathouse Bakery</b> (712) 337-3223 ext. 331</p> <p><i>Come enjoy the beautiful view of West Lake Offering: Breakfast, Lunch, Ice Cream Treats, baked goodies &amp; fresh coffee!</i></p> <p><i>Open: On Season</i></p>
<p><b>Betsy's Diner</b> (712) 337-3223 ext. 444</p> <p>Breakfast, Lunch &amp; Daily Specials! Regular Menu Available</p> <p><i>Open: OFF Season</i></p>	<p><b>Main Event Bar &amp; Eatery</b> (712) 337-3223 ext. 223</p> <p>Enjoy our Friday &amp; Saturday specials! Eat in or carry out!</p> <p><i>Open: Year Round</i></p>

### **Checkout Procedures**

We appreciate everyone that follows the Sunrise Cove Check-out procedures. Upon your departure, place the dirty bathroom and kitchen towels in the green bag and the dirty sheets and pillowcases go into the yellow bag. Once filled, put the bags in the downstairs bathroom. Thank you in advance!

### **Reminder**

We do not supply any Sunrise Cove unit with extra: Paper towels, Kleenex, toilet paper or linens. Each unit is stocked to the occupancy upon arrival. If you require extra, you will need to supply your own.

## Check-in Requirements

For security reasons and your safety, the following will be required upon check in:

Photo ID or Driver's License

Credit Card for Security Deposit (*MC, Visa, Discover or Amex will be authorized upon arrival*)

Name on Reservation **MUST** match the photo ID

License Plate numbers for ALL vehicles on property

Must be 21 years of age to check-in

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## Interested in Additional Timeshare units?

The Resort has available units, as well as a list of private/member units for sale.

Please call 712-337-3223 ext. 250 or email [marne@villagewestresort.com](mailto:marne@villagewestresort.com).

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## Rental Rates for Timeshare Units

Contact us at 712-337-3223 ext. 250

if you would like to submit your unit into the Rental Program.

### *Red Weeks (21-39) May through September/25 – 33 (preferred & most rentable)*

<u>Unit</u>	<u>Weekly Rental</u>	<u>Owner Amount</u>
Mansion	\$3175.00 (+10% IA tax) = \$3492.50	\$2143.00
Rustic	\$3300.00 (+10% IA tax) = \$3630.00	\$2227.00
4 BD Lockout	\$4225.00 (+10% IA tax) = \$4647.50	\$2851.00
2 BD Lockout	\$2550.00 (+10% IA tax) = \$2805.00	\$1721.00
2&3 BD Townhouse	\$2300.00 (+10% IA tax) = \$2530.00	\$1552.00
One Bedroom	\$1500.00 (+10% IA tax) = \$1650.00	\$1012.00
Spa Studio	\$1350.00 (+10% IA tax) = \$1485.00	\$ 911.00
Studio	\$1175.00 (+10% IA tax) = \$1292.50	\$ 793.00

### *White/Blue Weeks (1-20 & 40-52) Sept. – May/Off Season (weeks more difficult to rent)*

<u>Unit</u>	<u>Weekly Rental</u>	<u>Owner Amount</u>
Mansion	\$1670.00 (+10% IA tax) = \$1837.00	\$1169.00
Rustic	\$1735.00 (+10% IA tax) = \$1908.50	\$1214.50
4 BD Lockout	\$2200.00 (+10% IA tax) = \$2420.00	\$1540.00
2 BD Lockout	\$1335.00 (+10% IA tax) = \$1468.50	\$ 934.50
2&3 BD Townhouse	\$1200.00 (+10% IA tax) = \$1320.00	\$ 840.00
One Bedroom	\$ 770.00 (+10% IA tax) = \$ 847.00	\$ 539.00
Spa Studio	\$ 700.00(+10% IA tax) = \$ 770.00	\$ 490.00
Studio	\$ 600.00(+10% IA tax) = \$ 660.00	\$ 420.00

SUNRISE COVE TIME SHARE

ASSOCIATION, INC.

· WEST LAKE OKOBOJI, IOWA

AUDITED

FINANCIAL STATEMENTS

For the Year Ended December 31, 2019



Office 757-539-3446 Fax 757-539-4278

1426 Holland Road, Suffolk, Virginia 23434

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa

**Report on the Financial Statements**

We have audited the accompanying financial statements of Sunrise Cove Time Share Association, Inc., an Iowa corporation, which comprise the balance sheet as of December 31, 2019, and the related statements of revenues, expenses and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunrise Cove Time Share Association, Inc. as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

SCOTT BRADSHAW & RAWLS, P.C.

***Scott Bradshaw & Rawls, P.C.***

Certified Public Accountants

September 1, 2020

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
BALANCE SHEET  
December 31, 2019

	Operating Fund	Replacement Fund	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash	\$ 80,823	\$ 11,431	\$ 92,254
Certificate of deposit	-	108,344	108,344
Certificate of deposit - restricted	-	458,642	458,642
Maintenance fees receivable - net	-	-	-
Prepaid expenses	38,425	-	38,425
Prepaid taxes	1,907	-	1,907
Income tax benefit	6,624	-	6,624
Income tax receivable	17,919	-	17,919
Building - net	198,011	-	198,011
Interfund balances	(1,130,501)	1,130,501	-
<b>TOTAL ASSETS</b>	<b>\$ (786,792)</b>	<b>\$ 1,708,918</b>	<b>\$ 922,126</b>

<b>LIABILITIES AND FUND BALANCES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable and accrued expenses	\$ 452,759	\$ -	\$ 452,759
Deferred maintenance fees	75,759	-	75,759
<b>TOTAL LIABILITIES</b>	<b>\$ 528,518</b>	<b>\$ -</b>	<b>\$ 528,518</b>
<b>FUND BALANCES:</b>			
Fund balances (deficit)	(1,315,310)	1,708,918	393,608
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ (786,792)</b>	<b>\$ 1,708,918</b>	<b>\$ 922,126</b>

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
For the Year Ended December 31, 2019

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2019

	Operating Fund	Replacement Fund	Total
<b>REVENUES:</b>			
Maintenance fee assessed and billed	\$ 2,552,628	\$ 221,968	\$ 2,774,596
Finance charges	56,134	-	56,134
Other income	3,627	-	3,627
<b>Total Revenues</b>	<b>\$ 2,612,389</b>	<b>\$ 221,968</b>	<b>\$ 2,834,357</b>
<b>OPERATING EXPENSES:</b>			
Housekeeping and guest supplies	\$ 733,232	-	\$ 733,232
Utilities	464,192	-	464,192
Repairs and maintenance	397,572	-	397,572
Bad debt	277,529	24,133	301,662
Recreation	240,264	-	240,264
Replacement fund expenses	-	173,723	173,723
Management and consulting fees	152,148	-	152,148
Administrative and general	175,024	-	175,024
Real estate taxes	173,508	-	173,508
Insurance	77,449	-	77,449
Telephone	26,410	-	26,410
<b>Total Operating Expenses</b>	<b>\$ 2,717,328</b>	<b>\$ 197,856</b>	<b>\$ 2,915,184</b>
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER INCOME (EXPENSES)</b>	<b>\$ (104,939)</b>	<b>\$ 24,112</b>	<b>\$ (80,827)</b>
<b>OTHER INCOME (EXPENSES):</b>			
Interest income	-	9,852	9,852
Depreciation	(18,069)	-	(18,069)
Penalties	(176)	-	(176)
<b>Total Other Income (Expenses)</b>	<b>\$ (18,245)</b>	<b>\$ 9,852</b>	<b>\$ (8,393)</b>
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES</b>	<b>\$ (123,184)</b>	<b>\$ 33,964</b>	<b>\$ (89,220)</b>
<b>PROVISION FOR INCOME TAXES</b>	<b>24,543</b>	<b>-</b>	<b>24,543</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ (98,641)</b>	<b>\$ 33,964</b>	<b>\$ (64,677)</b>
<b>FUND BALANCE (DEFICIT) - BEGINNING OF YEAR</b>	<b>(1,216,669)</b>	<b>1,674,954</b>	<b>458,285</b>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<b>\$ (1,315,310)</b>	<b>\$ 1,708,918</b>	<b>\$ 393,608</b>

	Operating Fund	Replacement Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Excess of revenues over expenses	\$ (98,641)	\$ 33,964	\$ (64,677)
Adjustments to reconcile to net cash from operating activities:			
Depreciation	18,069	-	18,069
Change in:			
Maintenance fees receivable	-	-	-
Prepaid expenses	392	-	392
Prepaid taxes	176	-	176
Income tax benefit	(6,624)	-	(6,624)
Income tax receivable	(17,919)	-	(17,919)
Interfund balances	158,923	(158,923)	-
Accounts payable and accrued expenses	55,088	-	55,088
Deferred maintenance fees	(112,466)	-	(112,466)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (3,002)</b>	<b>\$ (124,959)</b>	<b>\$ (127,961)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Reinvestment in certificates of deposit	-	(9,193)	(9,193)
<b>NET CHANGE IN CASH</b>	<b>\$ (3,002)</b>	<b>\$ (134,152)</b>	<b>\$ (137,154)</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>149,825</b>	<b>79,583</b>	<b>229,408</b>
<b>CASH - END OF YEAR</b>	<b>\$ 146,823</b>	<b>\$ (54,569)</b>	<b>\$ 92,254</b>
<b>Supplemental disclosure of cash flow information:</b>			
Interest paid in cash			\$ 312

NOTE 1: DESCRIPTION OF THE ASSOCIATION AND RELATED PARTIES

The Association

Sunrise Cove Time Share Association, Inc. (Association) is a not-for-profit Iowa Corporation organized to operate, govern, administer and manage the property and affairs of the Sunrise Cove Time Share Association at Village West Resort (Resort).

The Association is organized to act as the governing association, within the meaning of the Iowa Timeshare Act (Chapter 557A, Iowa Code, (1988)), for the Sunrise Cove at Village West Resort, located on West Lake Okoboji, Iowa. The Association is incorporated in the State of Iowa under the provisions of the Iowa Nonprofit Corporation Act (Chapter 504A, Iowa Code, (1988)) and, therefore, shall not be operated for profit and shall make no distribution of income to its members, directors or officers.

The members of the Association are the owners of the unit weeks committed to interval ownership. Each unit week shall be entitled to one vote in voting by the membership.

The majority of the members of the Board of Directors shall be elected by the Developer (as hereinafter defined) until three months after 85% of the timeshare estate that has been, or ultimately could be, operated by the Association has been conveyed to purchasers of the unit weeks. The remaining directors shall be elected to the Board of Directors by the membership in accordance with the Association's Articles of Incorporation and By-Laws. At December 31, 2019, the Developer had not turned over control of the Association's Board of Directors to the unit week owners.

The Resort

Located on the Resort are free standing and multi-unit timeshare buildings and timeshare units that were converted from hotel rooms. The Developer has committed several phases comprising 129 units (and representing 5,805 unit weeks). The existing units are configured as studios, executive style suites, and one, two and three bedrooms. Each unit is subdivided into 45 use periods and seven bonus weeks. All sales to date have been sold on a fixed-time use basis. The Developer may add additional units on adjacent property.

The Developer

Iowa Resort Holding, L.L.C. (Developer), an Iowa limited liability corporation, is the owner and Developer of the Resort. The Developer maintains recreation facilities and common area amenities, and marketing and sales facilities on-site. The Developer holds title to all real estate on which all the existing units are built. The type of units added in any expansion will be at the discretion of the Developer. The timeshare program may be terminated or amended at any time at the sole discretion of the Developer. See discussion regarding this relationship and related transactions and balances in Notes 7 and 8.

NOTE 1: DESCRIPTION OF THE ASSOCIATION AND RELATED PARTIES (Continued)

The Consultant

Goodmanagement, L.L.C. (Consultant) is a Virginia limited liability company. The Consultant provides supervision, management and operational support for the timeshare program and provides the necessary accounting services for the Association. The consulting and accounting agreement provides for automatic one-year renewals. See additional discussion regarding this relationship and related transactions and balances in Note 8.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Association prepares its financial statements on the accrual basis of accounting. Separate fund balances are maintained for the Operating Fund and Replacement Fund based on different funding and statutory policies.

The Operating Fund reflects the operating assessments paid by unit week owners to meet the regular, recurring costs of operations. Expenditures from this Fund are for those items connected with the Association's day-to-day activities and for real estate property taxes.

The Replacement Fund is comprised of all assessments paid by unit week owners to fund the future replacement, major repair and purchase of commonly owned assets. Expenditures from this Fund are designated to those items for which assessments were paid.

Maintenance fees receivable at December 31, 2019 represents member assessments outstanding, including weeks in collections, related to unit weeks sold. This receivable is collateralized by a warranty deed on the unit week.

Cash Equivalents

The Association considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Real Property and Equipment

As stated in the timeshare ownership documents, real property and common areas and related improvements to such property are not recorded in the Association's financial statements because interests in these properties are conveyed to the individual unit week owners in common, and not to the Association. Additions to these assets are accounted for as expenditures in the Replacement Fund.

In accordance with prevailing industry standards and practices, personal property acquired by the Association, to which it has title, has not been capitalized in the accompanying financial statements. Accordingly, there is no provision for depreciation for these items in the Association's financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Real Property and Equipment (Continued)

The Association's timeshare program with the Developer consists of the use of 52 weeks of a single timeshare unit. Those weeks are broken down into 45 regular weeks, 6 bonus weeks, and 1 maintenance week. Depreciation is applied on a straight line basis over the estimated useful life of 27.5 years.

Revenue and Deferred Maintenance Fees

The Association assesses an annual maintenance fee based on the annual budget as determined from prior year costs approved by the Board of Directors. Each Association member is a unit week owner and a proportionate amount of the maintenance fees is assessed for each unit week. Members are billed in November of each year for the succeeding year's fees. Any such billings collected prior to the beginning of the succeeding year are included in deferred maintenance fees on the Balance Sheet.

Expense Allocations

With the exception of consulting fees, all expenses, including real estate taxes, are allocated to the Association from the Consultant and the Developer based on invoices received for the entire resort. These allocations vary based on the type of expense.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Real estate taxes accrued of \$173,828 are included in accounts payable and accrued expenses on the accompanying Balance Sheet. This accrual was estimated based on prior real estate tax bills.

The accounts receivable balance has carried forward from prior years. The allowance for doubtful accounts is a provision for probable uncollectible accounts within the accounts receivable balance. The accounts receivable balance as presented on the Balance Sheet of \$0 represents gross receivables of \$1,892,525, less the allowance for doubtful accounts of \$1,892,525. The Association has developed a policy that receivables greater than 120 days old are uncollectible. For the year ended December 31, 2019, the Association estimated the allowance for doubtful accounts balance, since its inception in 1989, to be \$1,892,525. The Association's management will continue efforts to collect all receivable balances until all means have been exhausted.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates (Continued)

For the year ended December 31, 2019, of the total maintenance fees assessed and billed and total bad debt expense incurred, the Association has allocated \$221,968 and \$24,133, respectively, to the Replacement Fund. Based on management assumptions, this allocation was determined to be 8% of the respective account balance.

Income Taxes

For 2019, the Association filed its federal income tax return as a regular corporation. As a regular corporation, in determining taxable income, nonmembership income, net of related expenses, is taxed at regular corporate rates. Maintenance fee expenses are deducted from maintenance fee revenues, and reserve assessments for future replacements are not treated as taxable income in accordance with revenue rulings issued by the Internal Revenue Service. As of December 31, 2019, the Association had a net operating loss of \$89,045. For federal tax purposes the net operating loss was carried back in full to offset taxable income reported in 2015, 2016, and 2017 resulting in a federal tax refund of \$17,919. The Association also has an Iowa net operating loss carryover of \$89,045 that can offset taxable income through 2039 resulting in a state income tax benefit of \$6,624. For 2019, the Association had no federal and state income tax expense. The Association has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2019. Fiscal years ending on or after December 31, 2016 remain subject to examination by federal and state tax authorities.

The following is a reconciliation of the federal statutory income tax amount on income to the provision for income taxes:

Federal income tax receivable	\$ (17,919)
State income tax expense (benefit)	(6,624)
Total provision for income taxes	<u>\$ (24,543)</u>

NOTE 3: CREDIT RISK

Financial instruments that potentially subject the Association to concentrations of credit risk consist principally of interest-bearing cash on deposit with a financial institution. Interest-bearing accounts at this financial institution are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2019, the financial institution's collected funds exceeded the FDIC limit by \$409,240.

NOTE 4: SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through September 1, 2020, the date the financial statements were available to be issued.

NOTE 5: CERTIFICATE OF DEPOSIT

In 2009, the Association invested in two certificates of deposit with a local financial institution, both earning interest at 1.05%. Both certificates of deposit matured on February 5, 2010, but have not been redeemed at December 31, 2019.

NOTE 6: BUILDING

Building consists of the following:

One timeshare unit	\$ 496,910
Less: Accumulated depreciation	(298,899)
Total	<u>\$ 198,011</u>

NOTE 7: RECREATIONAL LICENSE AND RELATED FEES

The Association has entered into a recreational license with the Developer. The Developer owns the Resort, which includes recreational facilities and meeting space, as well as all real estate and common areas on which the existing units are built. A fee is paid by timeshare owners for the use of existing recreational facilities at Village West Resort and collected through the maintenance assessment. The fee is determined by the cost incurred by the Developer. These amenities include an indoor 9-hole miniature golf course, an outdoor 9-hole miniature golf course, docks, one tennis court, three swimming pools, a health club, beach and other common recreational space.

NOTE 8: RELATED PARTY AGREEMENTS, TRANSACTIONS AND BALANCES

As disclosed in Note 1, Goodmanagement, L.L.C. (Consultant), a related party, due to the fact that the President and majority owner of the Consultant is also a member of the Board of Directors, provides supervision and consulting as well as the necessary accounting services for the Association. Under the terms of the consulting management agreement, the Consultant was granted the authority to provide consulting services to the Association, through employees and experts retained by it, incidental to the consulting and operations of the Resort. The fees paid to the Consultant under this agreement are made up of two components; a consulting fee, which equals 7% of all funds the Consultant is required to collect pursuant to the budget, and a financial services fee of \$1,547 per month, plus out of pocket expenses, which is in consideration for information, services, and financial reports. Amounts due to the Consultant of \$38,620 are included in accounts payable and accrued expenses on the Balance Sheet at December 31, 2018. The Association paid the Consultant \$131,148 for consulting fees and \$19,200 for financial services fees, and such fees are included in management and consulting fees on the Statement of Revenues, Expenses and Changes in Fund Balances.

NOTE 8: RELATED PARTY AGREEMENTS, TRANSACTIONS AND BALANCES (Continued)

As disclosed in Note 7, the Association has entered into a recreational license with the Developer, a related party. The Association also contracts a third party owned by the Developer, whose employees provide services and maintenance for the members. Amounts due to the Developer of \$12,885 are included in accounts payable and accrued expenses on the Balance Sheet at December 31, 2019. The Association paid the Developer \$206,784 for maintenance of recreation facilities, common area amenities, and contracted labor, and \$165,318 for housekeeping and other administrative expense included in repairs and maintenance, recreation, administrative and general, and throughout other expense accounts on the Statement of Revenues, Expenses and Changes in Fund Balances.

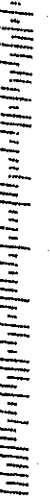
NOTE 9: FUTURE REPAIRS AND REPLACEMENTS

The Association has established a Replacement Fund for future repairs and replacements. The cash in the Fund is maintained in a nonoperating account with a bank. It is the Association's policy to retain interest earned on such funds in the Replacement Fund.

In 2019, \$107,723 was expended by the Replacement Fund. This amount was approved by the Board of Directors. In the event that a replacement or major repair is necessary, the Association has the authority to assess unit owners for the cost of such expenditures at the time the expenditures are made. Actual expenditures may vary from estimated future expenditures, and variations may be material.



Sunrise Cove at Village West Resort  
 20785 170th Street  
 Spirit Lake, IA 51360



2022

Week Number	Friday to Friday	Saturday to Saturday	Sunday to Sunday
1	Jan 7-Jan 14	Jan 1-Jan 8	Jan 2-Jan 9
2	Jan 14-Jan 21	Jan 8-Jan 15	Jan 9-Jan 16
3	Jan 21-Jan 28	Jan 15-Jan 22	Jan 16-Jan 23
4	Jan 28-Feb 4	Jan 22-Jan 29	Jan 23-Jan 30
5	Feb 4-Feb 11	Jan 29-Feb 5	Jan 30-Feb 6
6	Feb 11-Feb 18	Feb 5-Feb 12	Feb 6-Feb 13
7	Feb 18-Feb 25	Feb 12-Feb 19	Feb 13-Feb 20
8	Feb 25-Mar 4	Feb 19-Feb 26	Feb 20-Feb 27
9	Mar 4-Mar 11	Feb 26-Mar 5	Feb 27-Mar 6
10	Mar 11-Mar 18	Mar 5-Mar 12	Mar 6-Mar 13
11	Mar 18-Mar 25	Mar 12-Mar 19	Mar 13-Mar 20
12	Mar 25-Apr 1	Mar 19-Mar 26	Mar 20-Mar 27
13	Apr 1-Apr 8	Mar 26-Apr 2	Mar 27-Apr 3
14	Apr 8-Apr 15	Apr 2-Apr 9	Apr 3-Apr 10
15	Apr 15-Apr 22	Apr 9-Apr 16	Apr 10-Apr 17
16	Apr 22-Apr 29	Apr 16-Apr 23	Apr 17-Apr 24
17	Apr 29-May 6	Apr 23-Apr 30	Apr 24-May 1
18	May 6-May 13	Apr 30-May 7	May 1-May 8
19	May 13-May 20	May 7-May 14	May 8-May 15
20	May 20-May 27	May 14-May 21	May 15-May 22
21	May 27-Jun 3	May 21-May 28	May 22-May 29
22	Jun 3-Jun 10	May 28-Jun 4	May 29-Jun 5
23	Jun 10-Jun 17	Jun 4-Jun 11	Jun 5-Jun 12
24	Jun 17-Jun 24	Jun 11-Jun 18	Jun 12-Jun 19
25	Jun 24-Jul 1	Jun 18-Jun 25	Jun 19-Jun 26
26	Jul 1-Jul 8	Jun 25-Jul 2	Jun 26-Jul 3
27	Jul 8-Jul 15	Jul 2-Jul 9	Jul 3-Jul 10
28	Jul 15-Jul 22	Jul 9-Jul 16	Jul 10-Jul 17
29	Jul 22-Jul 29	Jul 16-Jul 23	Jul 17-Jul 24
30	Jul 29-Aug 5	Jul 23-Jul 30	Jul 24-Jul 31
31	Aug 5-Aug 12	Jul 30-Aug 6	Jul 31-Aug 7
32	Aug 12-Aug 19	Aug 6-Aug 13	Aug 7-Aug 14
33	Aug 19-Aug 26	Aug 13-Aug 20	Aug 14-Aug 21
34	Aug 26-Sep 2	Aug 20-Aug 27	Aug 21-Aug 28
35	Sep 2-Sep 9	Aug 27-Sep 3	Aug 28-Sep 4
36	Sep 9-Sep 16	Sep 3-Sep 10	Sep 4-Sep 11
37	Sep 16-Sep 23	Sep 10-Sep 17	Sep 11-Sep 18
38	Sep 23-Sep 30	Sep 17-Sep 24	Sep 18-Sep 25
39	Sep 30-Oct 7	Sep 24-Oct 1	Sep 25-Oct 2
40	Oct 7-Oct 14	Oct 1-Oct 8	Oct 2-Oct 9
41	Oct 14-Oct 21	Oct 8-Oct 15	Oct 9-Oct 16
42	Oct 21-Oct 28	Oct 15-Oct 22	Oct 16-Oct 23
43	Oct 28-Nov 4	Oct 22-Oct 29	Oct 23-Oct 30
44	Nov 4-Nov 11	Oct 29-Nov 5	Oct 30-Nov 6
45	Nov 11-Nov 18	Nov 5-Nov 12	Nov 6-Nov 13
46	Nov 18-Nov 25	Nov 12-Nov 19	Nov 13-Nov 20
47	Nov 25-Dec 2	Nov 19-Nov 26	Nov 20-Nov 27
48	Dec 2-Dec 9	Nov 26-Dec 3	Nov 27-Dec 4
49	Dec 9-Dec 16	Dec 3-Dec 10	Dec 4-Dec 11
50	Dec 16-Dec 23	Dec 10-Dec 17	Dec 11-Dec 18
51	Dec 23-Dec 30	Dec 17-Dec 24	Dec 18-Dec 25
52	Dec 30-Jan 6	Dec 24-Dec 31	Dec 25-Jan 1
53	Jan 6-Jan 13	Jan 1-Jan 7	Jan 1-Jan 7

PRESORT STANDARD  
 U.S. POSTAGE  
**PAID**  
 TRI-STATE LITHO  
 SPIRIT LAKE, IA  
 PERMIT #8