

Board Members

2015

Per Phone:

All Board members have received next year's budget from Goodmanagement, the associations management company.

Ok'ed the projected budget

Have reviewed the questions and minutes from the members annual meeting.  
There were no additional questions so a special meeting was not called.

**Welcome to the 2015 Annual Meeting  
of Sunrise Cove Members**

**From past annual meetings enclosed are many of the same items and questions that have been of interest to members. Some are items that have been discussed due to the problems it created for the association.**

**Internet –Electricity-TV:** We received a letter in 2014 from the internet provider that illegal web sites have been accessed from our IP address. They can cancel service

**Electricity:** The main lines to the units were junk due in part to building on the wires. So rerouted 4 units for the cost of one.

Last summer we had horrible storms and the power went out in the entire area. The power was off for several hours, Village West does not supply the power to the units. The power is supplied by alliant energy and was repaired as soon as possible.

Our TV provider has changing over to all digital, originally I was told with the new cable box that was replace last summer, they said they could put one changer on to make all TV pick up the new digital – they now say it cannot be done.

**Internet while on vacation:**

Internet is provided in the lobby. Prior to having it at the resort, a survey of ALL members was taken. The majority were not willing to pay the additional cost to have it in all the units.

**Utilities:** As some of you may know we have made some changes to the natural gas to the units. As electric units fail we are in a position to switch over to gas units which will operate at a lesser cost.

**Is the board of Directors or President paid:**

No the Board members or President are not paid for their time. The time they give to association business is donated.

**Utilities:** As some of you may know we have made some changes to the natural gas to the units. As electric units fail we are in a position to switch over to gas units which will operate at a lesser cost.

**RCI – why are there units not being used and we can't get bonus time?**

When a unit is deposited with RCI it is there unit to do what they want to. Many of the units not used are not put in the RCI pool for you to exchange. RCI in fact has put that unit in a rental program rather than where it should be in the exchange program.

We have been in contact with RCI and it is possible for Sunrise Cove to have dual affiliation with II another exchange company. We have been in contact with II in regard to Sunrise Cove joining the II exchange program. The cost appears to be \$89.00 per member. Is there enough interest to continue exploring the second exchange company. This will be a survey question in news letter.

**To many people in unit:** This needs to be policed by each member

**Trailer parking:** This has gotten much better over the past year, more signs were added. Renters are still a problem.

Iowa Resort Holdings the owner of the Resort took approximately 3 acres out of there farm to solve the problem for members and hotel guests. The parking lot is for use during your stay, it is not a storage area for the summer.

**Members checking in kids for a party and leaving:** This is much better; this is still an issue for those of you that rent your units.

**Abuse of Bonus Time:** It seems like every year something new comes up that hasn't been addressed.

**Damage and destruction to units;** It's better since we have charged people: Do you want to continue to charge for stuff has we have?

**Uninformed family members and guests of rules:**

**Uninformed Renters:** I think a form should be provided to those that rent that can be given to the renters that has to be presented a check-in.

**Dead beats:** those that have not paid there maintance fees on time

The policy is in place no pay no stay.....

Have been turned over to collections

Currently liens and judgments on some

**How many employees dose the association have:**

The association has NO employees. The association is a non-profit company that only collects dues to pay its bills. The association hires services they need.

**Garbage:**

After years of asking and posting of signs there are those that continue to dump raw garbage in the trash containers. Village West in 2014 informed the association there employees will no longer be collecting garbage by hand. We have a contact with a commercial garbage company that has units that can be picked up by a truck.

**Security:**

In 2000 the association spent approximately \$25,000.00 per year on security. Since that time there has been no cost to the association as that money was need for unit repairs. Starting summer of 2015 the association will be responsible.

**Who's staying in your unit:** There are a couple of reason I think the association should require the names. Safety and security: In the event of a problem we need to know who is in the unit. Notification...it happens more than you think.

I bring this up again this year since there were members that had two weeks at the same time. The wife checked into one and the husband into the other. So there is no misunderstanding if an unregistered guest is found at night roaming around the police will be called. It happened again this past summer and the intoxicated person was taken to jail.

**Weather Storms:**

As in the past Village West is the only vacation facility in the entire lakes area that supplies a storm shelter for guests. If the area where the resort is located is put in a tornado warning....the shelter is opened and guests informed. The shelter will not be opened for rain and wind.

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**2015 Sunrise Cove Maintenance Fee Schedule**

|                        | Studio          | 1 Bed           | 1 Bed Spa       | Townhouse       | Lockout<br>1 Bed B | Lockout<br>1 Bed A | Lockout<br>AB   | Rustic           | Mansion          | Lockout<br>2 Bed | Lockout<br>4 Bed |
|------------------------|-----------------|-----------------|-----------------|-----------------|--------------------|--------------------|-----------------|------------------|------------------|------------------|------------------|
| Administration         | \$68.35         | \$68.35         | \$68.35         | \$68.35         | \$68.35            | \$68.35            | \$68.35         | \$68.35          | \$68.35          | \$68.35          | \$68.35          |
| Maintenance            | \$74.62         | \$111.47        | \$99.28         | \$119.52        | \$76.49            | \$106.61           | \$147.36        | \$175.20         | \$173.20         | \$100.83         | \$132.14         |
| Recreation             | \$13.49         | \$13.49         | \$13.49         | \$13.49         | \$13.49            | \$13.49            | \$13.49         | \$13.49          | \$13.49          | \$13.49          | \$13.49          |
| Recreation License     | \$34.14         | \$34.14         | \$34.14         | \$34.14         | \$34.14            | \$34.14            | \$34.14         | \$34.14          | \$34.14          | \$34.14          | \$34.14          |
| Insurance              | \$13.78         | \$13.78         | \$13.78         | \$13.78         | \$13.78            | \$13.78            | \$13.78         | \$13.78          | \$13.78          | \$13.78          | \$13.78          |
| Utilities              | \$74.62         | \$122.17        | \$118.13        | \$136.39        | \$78.51            | \$119.29           | \$168.34        | \$199.93         | \$196.38         | \$129.02         | \$233.84         |
| Front Desk             | \$50.63         | \$50.63         | \$50.63         | \$50.63         | \$50.63            | \$50.63            | \$50.63         | \$50.63          | \$50.63          | \$107.04         | \$107.04         |
| Housekeeping           | \$49.32         | \$92.76         | \$89.50         | \$118.28        | \$70.52            | \$99.23            | \$145.39        | \$191.06         | \$177.93         | \$107.31         | \$239.30         |
| Annual Audit           | \$2.37          | \$2.37          | \$2.37          | \$2.37          | \$2.37             | \$2.37             | \$2.37          | \$2.37           | \$2.37           | \$2.37           | \$2.37           |
| Contract Labor         | \$19.88         | \$42.97         | \$41.16         | \$49.64         | \$32.21            | \$47.19            | \$56.14         | \$73.19          | \$77.53          | \$50.73          | \$88.57          |
| Bad Debt               | \$25.00         | \$25.00         | \$25.00         | \$25.00         | \$25.00            | \$25.00            | \$25.00         | \$25.00          | \$25.00          | \$25.00          | \$25.00          |
| Repairs/Replacement    | \$30.86         | \$45.47         | \$44.00         | \$50.85         | \$35.06            | \$46.28            | \$56.09         | \$118.98         | \$117.64         | \$51.73          | \$81.15          |
| 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 Tax        | \$26.95         | \$53.46         | \$50.80         | \$63.23         | \$37.71            | \$59.69            | \$72.74         | \$106.51         | \$104.09         | \$64.82          | \$119.91         |
| <b>Maintenance Fee</b> | <b>\$502.86</b> | <b>\$702.63</b> | <b>\$676.42</b> | <b>\$775.08</b> | <b>\$559.13</b>    | <b>\$712.72</b>    | <b>\$886.00</b> | <b>\$1114.64</b> | <b>\$1095.84</b> | <b>\$798.48</b>  | <b>\$1205.79</b> |

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**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 5th day of December, 2015. The meeting was called to order by Michael Hoepfner at 3:05 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
2. Karen Larson
3. Tom Underwood
4. Bill & Wilma Heyner
5. Roger & Deb Meyer
6. Mark & Janet McGruder
7. Bill & Laura Meis
8. Maurice Heilman
9. Russell Holst
10. Sandy & Lori Fetterman
11. Robert & Gayle Petersen
12. Rodger Bosshart
13. Terry & Toni Bjorklund
14. David & Sandra Aanenson
15. Glen & Joyce Metzger
16. Rod Black
17. Ray & Diane Tucker

Proof of notice of the meeting was submitted by Mr. Hoepfner. Mrs. Stephens confirmed that the notice of meeting was distributed on or around July 30, 2014 by First Class Mail. Proof of quorum was also submitted by Mr. Hoepfner.

Mr. Hoepfner reported that the 2014 Annual Meeting minutes were submitted in the newsletter. Mrs. Fetterman made the motion to waive readings of the minutes from the Annual Meeting held on the 18th day of October, 2014 and approve them as written. Motion seconded. All Ayes. Everyone in favor; Motion approved.

Mr. Hoepfner continued with the order of business for the meeting and reported that the Resort Operations report was contained in a question and answer form provided to members.

New Business:

In handout

On going Business:

Mr. Hoepner explained that he made a deal with the electric company to loop the whole resort so if a transformer goes out on the north or south side of the resort, half the resort doesn't lose electricity. As had happened in the past. If power surged one half of the resort would have been without electricity.

Mr. Hoepner stated that Internet is provided in the lobby and that a survey in the past was sent out to all members about expanding the Wi-Fi. A majority did not want pay the additional cost to have it in all units so that is why it is still only available in the lobby. He said there have been many parents who have thanked him for this.

Mr. Hoepner brought up the utilities and noted that the heat pumps located in unit were driving up electric bills. They are being switched over to natural gas furnaces and A/C units, as needed, which will be much more cost effective in the end. Mr. Hoepner also explained that the A/C units the association currently have use a gas that can't be purchased anymore and will, in the future, have to be replaced with brand new ones.

Mr. Hoepner stated that Sunrise Cove was still working with the exchange company II to become affiliated with them as well as RCI. The representative we were working with quit and things are currently in limbo with II. No new news to report on how that is going.

Mr. Hoepner discussed the problem of too many people staying in the units. Everyone needs to be on their honor because there is no feasible way to police that issue.

Mr. Hoepner noted the trailer parking is getting so much better. There are still a few incidents a summer, but appreciates those who are being courteous. It does not take an hour to unload a boat at your unit.

Mr. Hoepner discussed the reoccurring problem of members checking individuals in and not registering them with the Front Desk as to who is in each unit. Safety and security are why we need to know who is in every room.

Mr. Hoepner noted that damage to units has gotten better since we have been charging for destruction as discussed prior. He and a few other members discussed the possibility of raising the fees for damage to deter it from reoccurring. Mr. Hoepner explained it's not the money issue usually; it's the time it takes to rectify it physically and the paper shuffle. When there is 1600 people staying a night in the summer, things happen it's inevitable, but as members we need to come up with a solution. A member raised the idea of having a \$100 minimum to deter these problems. Mr. Hoepner said that ideas could be tossed around at dinner.

Mr. Hoepner stated this is still a "no pay, no stay" resort if members have not paid their maintenance fees.

Mr. Hoepner was curious to see the end of year financials when it comes to the garbage bills since that service was hired out this year. He said he knew it would be more but it will be interesting to see how much more.

Mr. Hoepner brought to the attention of the association that he buys extra materials of the exact same to repair buildings and etc. Last summer, a bad storm came through and right away he and other employees assessed the damage and got a contractor over right away to patch some roofs because more rain was on the way that would have totally ruined another 10-12 units completely. The insurance company was called immediately and pictures were taken. 4 units were totally lost. According to the Association documents, all Sunrise Cove would have to do is send out a letter saying your unit was not useable and refunded your maintenance fees. Instead, phone calls were made and units were found with options for those unit owners who were affected. Approximately 100 unit owners were accommodated with either a rearranged vacation or refund of maintenance fees. One owner was not happy with how it was handled, even though her renters were accommodated in a different units. Mr. Hoepner is not going to deal with this again in the future. There is no

reason Resort employees should be continually contacted and complained to. He wanted a vote of members present to end this. Two options were discussed for the members if some event like this happens in the future. Option 1) Sunrise Cove just refunds maintenance fees which is all that is required or Option 2) To follow the same procedure that was done last summer. Village West who contracts to Sun rise cove tries to work with its members to find units so members still can have a vacation. All present members decided they were in favor of option 2.

Mr. Hoepner let it be known that the association got one more free year of security out of him because after the budget was done. The association received a letter that the software system used by Sunrise cove had to be replaced. The budget just wasn't going to allow it. Starting in January 2016 the system will be getting switched over to the new software.

Mr. Hoepner stated that we are fortunate to live where we live. As far as security is concerned, starting spring of 2016 everyone will have to provide an ID at check-in. Drills have been done with employees so they know what to do if something crazy happens. He reminded everyone that he doesn't want the innocence of this resort to go away because of the way of the world today and that is why this procedure will start.

Mr. Hoepner let the record show that he personally went and bought 3 mattresses for the present members of the meeting to choose which one will be the replacement for the resort. As usual, the oldest ones will be replaced first. The budget does not allow us to buy 800 beds at once. Mr. Hoepner reminded the members that every year these items are being rotated through. The terrible ones get thrown out and new ones get put into inventory. There must be enough of each kind bedding and bathroom inventory on property to turn every unit 3 times.

Mr. Hoepner stated that the mess of foreclosed units is still being cleaned up and it is a long process.

After a question was raised about using credits in the hotel, Mr. Hoepner explained that on weekends, based on availability, credits may be used in Sunrise Cove but not in the hotel for 6 weekends in the summer. Another member reminded the group that Sunrise Cove does not own the Resort or hotel and that Mr. Hoepner, at first, was letting members use credits in hotel on weekends all year out of the goodness of his heart. It has since become a problem and that is why credits cannot be used for those 6 weekends in the hotel.

Mr. Hoepner reminded unit owners to call maintenance right away when there is a problem to get remedied in their unit. Most times, right away someone will be there. Nights and weekends are a little tougher to come immediately because there is not a full staff on duty and parts may not be available until the next day or later.

A motion was made to adjourn the meeting and then head up to convention center to test out mattresses and decide on which one to start replacing some of the old ones. Motion was seconded. All ayes. Everyone in favor; Motion approved.

There being no further business the 2015 Annual Meeting of the Membership was adjourned at 4:05 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 Hoepner, President