

Summer  
**2017**



**Newsletter**

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

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

**2017**

**Sunrise Cove Board of Directors:**

Mike Hoepfner, *President*

Dale Goodman, *Treasurer*

Rod Black, *Secretary*

Tom Underwood, *Vice President*

Judy Belitz, *Vice President*

**Sunrise Cove Members:**

Last year was Leap Year, so this year your week(s) may be altered. Be sure to double check your arrival and departure date(s). A 2017 calendar is printed on this page for your convenience.

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

**Annual Meeting Notice**

We hereby notify all members that the Annual Meeting of the Members will be held on Saturday, October 28, 2017 at 3:00 P.M.

A dinner will follow.

Dinner Reservations: 712-337-3223 ext. 257

Room Reservations: 712-337-3223 ext. 451

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

## 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.

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### BOARD SEAT ELECTION FOR 2017

*There will be a seat election on the Sunrise Cove Board of Directors in 2017.*

*All Candidate Profiles MUST be received before **August 15, 2017.***

Please send profile to:

Village West Resort & Hotel

20785 170<sup>th</sup> Street

Spirit Lake, Iowa 51360

Attn: **Candidate Profile**

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**ALL Sunrise Cove units are designated NON-SMOKING**

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 29th day of October, 2016. The meeting was called to order by Michael Hoepfner at 3:09 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. Jeanette Grove
3. Robert Thompson
4. Kathy Morrissey
5. Irene Banwart
6. Marcia Bauer
7. Al Kern
8. Kenneth & JoAnn Dubois
9. Robert & Elaine Mayden
10. Donna Kekich
11. Glen & Joyce Metzger
12. Vickie Hudson
13. Nancy Furness
14. Ken & Darlene Brummond
15. Sandy & Lori Fetterman
16. Mel & Phyl Vos
17. Russ & Lisa Lode Holst
18. Roger & Deb Meyer
19. Robert & Gayle Petersen
20. John Hayne

Proof of notice of the meeting was submitted by Mr. Hoepfner. Mrs. Morrissey confirmed that the notice of meeting was distributed on or around July 15, 2016 by First Class Mail. Proof of quorum was also submitted by Mr. Hoepfner.

Mr. Hoepfner reported that the 2015 Annual Meeting minutes were submitted in the newsletter. Mr. Dubois made the motion to waive readings of the minutes from the Annual Meeting held on the 5th day of December, 2015 and approve them as written. Motion seconded. All Ayes. Everyone in favor; motion approved.

Mr. Hoepfner announced there were 2 parties (Judy Belitz and Clinton Rushing) running for one seat on the Sunrise Cove Board of Directors. Rules of the election were provided in the handout. 2 members, John Hayne and Sandy Fetterman were approved as inspectors of the election and stepped out of the meeting, momentarily, to count all the valid proxies.

New Business:

In handout

Ongoing Business:

Mr. Hoepfner explained that in a few units the power was going off for no apparent reason. When repairs were being made other problems were found. When the transformers and wires were replaced, we planned ahead and buried extra wire in anticipation of more of the same problems. Now, a new law has been passed so this won't work and ALL units will need new boxes which will be costly and time consuming. This will be done and a little at a time, starting in E-Row, over the next few years and if repairs are being made to your unit while you are here. Mr. Hoepfner said power should only have to be out for a few hours.

Mr. Hoepfner noted that 16 years ago each unit was paying \$9/TV for cable, which he got down to \$6/TV. The current cable provider wants to up the price and renegotiate the price to \$15, but the cable providers didn't abide by contracts notice policy so we got it for \$6 this year. Surely they will be around soon to renegotiate. Mr. Hoepfner raised the question of spending \$8/TV for cable plus HBO or \$4/TV for just regular cable. These were the prices discussed with the cable provider last year. A motion was made to spend just the \$4/TV and seconded. All in favor, motion carried to only spend \$4/TV for cable.

Mr. Hoepfner 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 explained that because of our location getting a resort-wide signal will be costly since we are so rural. A second hub will be added to boost the signal and address the overuse in the lobby. Mr. Hoepfner asked if the association still wanted to just keep it in the lobby. A motion was made to keep Wi-Fi only in lobby and not spend the tens of thousands to expand throughout the resort. One member was opposed, so Mr. Hoepfner said he would get together some bids and have them ready to look at for the next members meeting.

Mr. Hoepfner noted the 3 acres of trailer parking is still getting better. But, this area is not a summer storage place. If you plan to leave your boat and/or trailer for a week or so, please let Mr. Hoepfner or some staff member know. If they are left for a long period of time without knowledge, they may not be here when you return.

Mr. Hoepfner discussed the reoccurring problem of members checking individuals in and not registering them with the Front Desk as to who is in each unit. It only happened once this summer and was taken care of right away. Safety and security are why we need to know who is in every room. If unregistered guests are caught somewhere on property and we can't figure out where they belong, they will go to jail. We are so lucky to live and vacation here. It's still safe here and we wouldn't want to have to require wristbands to know who belongs here and who doesn't. Mr. Hoepfner also brought up the problem of too many people staying in the units. Once again, there is no feasible way to police it or prove it but many of those units are the ones getting damaged because of the overcrowding. He also wanted to remind owners that if you have others staying in your unit, please remind them of resort rules and policies.

Mr. Hoepfner explained that those who damage units have been getting charged and will pay for any destruction. He wanted it to be known that the fees for not checking out of your unit correctly are going up because he saw first hand, this summer, how ridiculous some members are leaving their units. The resort is looking for some kind of mesh bags with signs for each unit to put certain items in when members leave to alleviate some of the confusion and time spent cleaning each unit.

Mr. Hoepfner then began discussing the dumpster issue. He reminded everyone that there are 4 doors to each dumpster and if one is full, please check another door. Do not set your garbage in front; put it IN a door that is NOT full.

Mr. Hoepfner explained why the only public bathrooms open after 10 PM are the ones right by the front lobby. Several vandals this past summer flooded the men's restroom and hallway in front of the Main Event and almost got the restrooms in the 400 level. It couldn't be proven who actually did it, so as a safety concern and to deter these kinds of problems again only the lobby restrooms will be open after 10 PM. Mr. Hoepfner also noted that the curfew has been such a great thing. Vandalism has not been happening as it used to, because everyone has to be in their unit at curfew.

Mr. Hoepfner thanked the employees, owners and guests who stayed all afternoon and night cleaning up from the storm this past summer. He was so appreciate and everything was cleaned up in 2 days and power was back on by 1 AM. We have had 3 years of terrible summer storms and insurance claims. Our loss ratio is not going to be good because of this. Mr. Hoepfner is hoping that the company will be good to us since in our claim 2 years ago, the insurance company allocated \$730,000.00 for repairs, but we got it done for under \$400,000.00.

Mr. Hoepfner wanted to remind everyone of a few simple common sense and courtesy things. First off, if you have multiple vehicles to your unit, have a few cars parked if further lots. Do not tie your boat to the dock all day. If you break a post, you buy it and they are \$130/post. Leave the rocks on the shoreline so it doesn't erode; that's why they are there. Do not move them to the swim area or on the beach.

Mr. Hoepfner asked if anyone worked for the government or EPA. In the last 2 weeks a new government rule, that is unclear to Mr. Hoepfner, will change what gas is used for our A/C units and refrigerators. We have to come up with a solution to this and if it comes to it, we will have to stockpile the gas we currently use. Mr. Hoepfner is hoping to not have to spend \$6,000.00 per unit to put in what the government wants.

Mr. Hoepfner brought up that the reader keys for each unit are all going to have to be replaced sometime soon. The company we originally used was great to work with but, since, have been bought out a few times. Parts are now, no longer being made for our system and we only have one more reader left.

Mr. Hoepfner noted that sometime this coming spring the Deck Tron unit which is the "heart" of the swimming pool is going to be replaced. There is a boiler hooked into the system that will keep the water warm while we are switching out the bad Deck Tron, but the pool will NOT be closed and the staff will try to get this done as quickly as possible.

Mr. Hoepfner asked for the results of the election. Clinton Rushing received 33 votes and Judy Belitz received 127 votes. Ms. Belitz was re-elected for another term to the board.

After a question was asked about carrying bonus time credits for longer than 2 years. Mr. Hoepfner explained that 2 years is a long time and it would be too difficult to keep track of for longer than that.

Mr. Hoepfner reminded the members that the new beds were being put in E-Row first and a new shipment is coming in 2017. Just like all things, the worst will be replaced first.

Mr. Hoepfner reminded everyone that there should be someone on staff here until 10 PM every night. On Fridays, Saturdays and Sundays there is two times the work with check outs and check ins and half the staff because it's the weekend. Are there things that got missed occasionally, yes. But, if you need something, just call and someone will be there to help. On weekends it may take a little longer if there is call that has priority over another request.

Mr. Hoepfner raised the question: Should we turn off the gas to the units in summer? This will save us money and most think it's crazy to run your fireplace in the summer anyways. All present were in favor. 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 2016 Annual Meeting of the Membership was adjourned at 4:38 p.m.

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

Submitted by Allison Waltman, Recording Secretary

Approved by Michael Hoepfner, President

## *2017 Member Reminders & Updates*

1. If you are unsure of your arrival and departure dates, please call ahead to verify your week with the Reservations Department.
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 member 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 PHOTO ID and credit card are required to check-in.** Photo ID must match the name on the Reservation. If it does not, you will not be able to check in.
8. Bonus time requests, member inquiry or bonus pooling call ext. 451.
9. The number of persons in each unit cannot exceed the maximum occupancy due to fire and safety codes.
10. Resort policy does not allow any pets on property. Guests in violation will be charged and pet must be removed immediately.
11. 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.
12. **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!
13. 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.
14. For your safety, a credit card will be required every time you make a reservation. Sorry, we are no longer able to keep past credit card numbers on file. This is to protect you.

**Last year was Leap Year, so 2017 weeks may be altered. Be sure to double check your arrival and departure date(s) this year to assure you are arriving on the correct day. Sunday check-in's are a week earlier than Friday & Saturday check-in's. If you are unsure of your dates, please contact the Reservations Department at 712-337-3223 ext.451.**

**Rental Rates for Timeshare Units**  
**Contact us at 712-337-3223 ext. 250**

**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

**Account Changes**

If you have a new phone number, change of address or email,  
 please notify the resort at 712-337-3223 ext. 875 or email us at  
[sales@villagewestresort.com](mailto:sales@villagewestresort.com).

**2017 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	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35
Maintenance	\$74.62	\$111.47	\$99.28	\$119.51	\$76.49	\$106.60	\$147.36	\$175.19	\$173.20	\$100.83	\$132.14
Recreation	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08
Recreation License	\$43.05	\$43.05	\$43.05	\$43.08	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05
Insurance	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35
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	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$114.74	\$114.74
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	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48
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	\$17.19	\$35.75	\$33.79	\$42.58	\$22.47	\$36.77	\$50.03	\$117.51	\$115.77	\$43.92	\$81.48
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>\$518.07</b>	<b>\$721.79</b>	<b>\$695.09</b>	<b>\$795.68</b>	<b>\$575.42</b>	<b>\$732.08</b>	<b>\$908.82</b>	<b>\$1142.04</b>	<b>\$1122.85</b>	<b>\$819.55</b>	<b>\$1235.00</b>

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

## **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 5). 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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## **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.

*Reservation Policies & Guidelines*  
*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, 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) *Effective 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) Effective January 1, 2015 to current.

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**

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

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

June 23<sup>rd</sup> - August 21<sup>st</sup>, 2017:

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 22<sup>nd</sup>, 2017 – June 22<sup>nd</sup>, 2018:

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

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### **2 Night Minimum required** *(June 30, 2017-July 31, 2017)*

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 prior to 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 check in process\*\***

For security reasons and your safety, our check in process will take an additional moment.

Upon check in, you must be 21 years of age and a photo ID along with a credit card for authorization is required. The photo ID and credit card must match the name on the reservation. *If it does not, then you will not be able to check in.* If you or your guests have multiple cars, all plate numbers must be recorded at the Front Desk.

Thank you in advance for your patience.

<p><b>Village West Boat House</b> (712) 337-3223 ext. 239</p> <p>Daily &amp; Weekly Boat Hoist Rentals 24-Hour Gas Dock</p> <p>Snacks, Ice &amp; Beverages available here!</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, Paddle Boat &amp; Kayak Rentals! Maui Mat Rentals</p>
<p><b>Stone's Throw Gift Shop</b> (712) 337-3223 ext. 297 Open Year Round</p> <p>We have something for everyone! Okoboji souvenirs Home Décor Shoes/Clothing for him &amp; her</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! Serving food from 5 P.M. to close.</p> <p>Eat in or carry out!</p>

### **Change to the Checkout Procedures**

We appreciate everyone that follows the Sunrise Cove Check-out procedures. By you completing a few tasks, it speeds up the process for the next Members to get checked in as soon as possible. Now, instead of placing the loose linens in the bathtub we have provided each unit with 2 bags, one green and the other yellow. 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.

# Resort Requirements

Please be advised of the new check in procedures.

We have taken extra precautionary measures to ensure your security.

The following will be required upon check in:

- Photo ID or Driver's License
- Credit Card for authorization  
(MasterCard, Visa, Discover or Amex)
- 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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For those interested in purchasing additional units, please call  
712-337-3223 ext. 250 or email [marne@villagewestresort.com](mailto:marne@villagewestresort.com).

The Resort has available units for sale, as well as a list of private/member units for sale. Please contact us if your family needs additional room during your vacation week, or you are looking for extra weeks.

SUNRISE COVE TIME SHARE  
ASSOCIATION, INC.  
WEST LAKE OKOBOJI, IOWA  
AUDITED  
FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

ROBB SCOTT  
BRADSHAW & RAWLS, PC

Phone: (757) 539-3446 • Fax: (757) 539-4278

CERTIFIED PUBLIC ACCOUNTANTS

1426 Holland Road • Suffolk, VA 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. which comprise the balance sheet as of December 31, 2016, 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, 2016, 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.

ROBB SCOTT BRADSHAW & RAWLS, PC

*Robb Scott Bradshaw & Rawls, PC*

Certified Public Accountants

May 23, 2017

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
BALANCE SHEET  
December 31, 2016

	Operating Fund	Replacement Fund	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash	\$ 69,576	\$ 26,584	\$ 96,160
Certificate of deposit	-	104,390	104,390
Certificate of deposit - restricted	-	441,905	441,905
Maintenance fees receivable - net	-	-	-
Prepaid expenses	35,996	-	35,996
Building - net	252,220	-	252,220
Interfund balances	<u>(1,022,778)</u>	<u>1,022,778</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b>\$ (664,986)</b>	<b>\$ 1,595,657</b>	<b>\$ 930,671</b>

<b>LIABILITIES AND FUND BALANCES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable and accrued expenses	\$ 415,051	\$ -	\$ 415,051
Deferred maintenance fees	107,308	-	107,308
Income taxes payable	7,936	-	7,936
Current portion - long-term debt	<u>37,406</u>	<u>-</u>	<u>37,406</u>
<b>TOTAL LIABILITIES</b>	<b>\$ 567,701</b>	<b>\$ -</b>	<b>\$ 567,701</b>
<b>FUND BALANCES:</b>			
Fund balances (deficit)	<u>(1,232,687)</u>	<u>1,595,657</u>	<u>362,970</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ (664,986)</b>	<b>\$ 1,595,657</b>	<b>\$ 930,671</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, 2016

	Operating Fund	Replacement Fund	Total
<b>REVENUES:</b>			
Maintenance fee assessed and billed	\$ 2,792,469	\$ 242,823	\$ 3,035,292
Finance charges	55,735	-	55,735
Other income	7,077	-	7,077
<b>Total Revenues</b>	<b>\$ 2,855,281</b>	<b>\$ 242,823</b>	<b>\$ 3,098,104</b>
<b>OPERATING EXPENSES:</b>			
Housekeeping and guest supplies	\$ 787,027	-	\$ 787,027
Utilities	387,869	-	387,869
Repairs and maintenance	376,196	-	376,196
Bad debt	453,822	39,463	493,285
Recreation	230,660	-	230,660
Replacement fund expenses	-	179,010	179,010
Management and consulting fees	150,348	-	150,348
Administrative and general	182,202	-	182,202
Real estate taxes	165,615	-	165,615
Insurance	66,831	-	66,831
Telephone	25,464	-	25,464
<b>Total Operating Expenses</b>	<b>\$ 2,826,284</b>	<b>\$ 218,473</b>	<b>\$ 3,044,757</b>
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER INCOME (EXPENSES)</b>	<b>\$ 29,017</b>	<b>\$ 24,350</b>	<b>\$ 53,367</b>
<b>OTHER INCOME (EXPENSES):</b>			
Interest income	-	5,559	5,559
Depreciation	(18,069)	-	(18,069)
Interest expense	(1,642)	-	(1,642)
<b>Total Other Income (Expenses)</b>	<b>\$ (19,711)</b>	<b>\$ 5,559</b>	<b>\$ (14,152)</b>
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES</b>	<b>\$ 9,306</b>	<b>\$ 29,909</b>	<b>\$ 39,215</b>
<b>PROVISION FOR INCOME TAXES</b>	<b>(7,936)</b>	<b>-</b>	<b>(7,936)</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 1,370</b>	<b>\$ 29,909</b>	<b>\$ 31,279</b>
<b>FUND BALANCE (DEFICIT) - BEGINNING OF YEAR</b>	<b>(1,234,057)</b>	<b>1,565,746</b>	<b>247,036</b>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<b>\$ (1,232,687)</b>	<b>\$ 1,595,657</b>	<b>\$ 278,315</b>

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2016

	Operating Fund	Replacement Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Excess of revenue over expenses	\$ 9,306	\$ 29,909	\$ 39,215
Adjustments to reconcile to net cash from operating activities:			
Depreciation	18,069	-	18,069
Change in:			
Maintenance fees receivable	-	-	-
Accounts receivable - other	-	-	-
Prepaid expenses	(18,413)	-	(18,413)
Interfund balances	108,349	(108,349)	-
Accounts payable and accrued expenses	(39,313)	-	(39,313)
Deferred maintenance fees	(92,539)	-	(92,539)
Income taxes payable	(8)	-	(8)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (14,549)</b>	<b>\$ (78,440)</b>	<b>\$ (92,989)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Reinvestment in certificates of deposit	-	(4,773)	(4,773)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Principal payments on note payable	(62,233)	-	(62,233)
<b>NET CHANGE IN CASH</b>	<b>\$ (66,782)</b>	<b>\$ (83,213)</b>	<b>\$ (149,995)</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>136,358</b>	<b>109,797</b>	<b>246,155</b>
<b>CASH - END OF YEAR</b>	<b>\$ 69,576</b>	<b>\$ 26,584</b>	<b>\$ 96,160</b>
<b>Supplemental disclosure of cash flow information:</b>			
Interest paid in cash			<b>\$ 3,005</b>

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 have 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, 2016, 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 5,605 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 8 and 9.

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2016

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 \$165,856 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 \$2,569,938 less the allowance for doubtful accounts of \$2,569,938. The Association has developed a policy that receivables greater than 120 days old are uncollectible. For the year ended December 31, 2016, the Association estimated the allowance for doubtful accounts balance, since its inception in 1999 to be \$2,569,938. The Association's management will continue efforts to collect all receivable balances until all means have been exhausted.

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 9.

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, 2016 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.

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2016

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates (Continued)

For the year ended December 31, 2016, of the total Maintenance fees assessed and billed and total bad debt expense incurred, the Association has allocated \$242,823 and \$39,463, respectively, to the Replacement Fund. Based on management assumptions, this allocation was determined to be 8% of the respective account balance.

Income Taxes

For 2016, 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. For 2016, the Association had federal and state income tax expense of \$5,520 and \$2,416, respectively. The Association has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2016. Fiscal years ending on or after December 31, 2013 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 expense	\$	(5,520)
State income tax expense		(2,416)
Total provision for income taxes	\$	(7,936)

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, 2016, the financial institution's collected funds exceeded the FDIC limit by \$392,456.

NOTE 4: SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through May 23, 2017, the date the financial statements were available to be issued.

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2016

**NOTE 5: CERTIFICATE OF DEPOSIT**

In 2009, the Association invested in two certificates of deposit with a local financial institution, both earning interest at .65%. Both certificates of deposit matured on February 5, 2010, but have not been redeemed at December 31, 2016. One of the certificates is collateralizing the note payable as described in Note 7.

**NOTE 6: BUILDING**

Building consists of the following:

One timeshare unit	\$ 496,910
Less: Accumulated depreciation	<u>(244,691)</u>
Total	<u>\$ 252,219</u>

**NOTE 7: NOTE PAYABLE**

The note payable is due to United Community Bank, which requires minimum scheduled payments of principal and interest of \$4,500 per month, with interest accruing at a variable rate. At December 31, 2016, the variable interest rate was 2.65%. The note matures in September 2017 and bears interest at 2% above the bank's 12-month certificate of deposit rate. The interest rate will be adjusted annually. The note is due on demand, but if no demand is made, then monthly payments of \$4,500 are due, with a final payment due on September 5, 2017. The note is secured by one of the Association's certificates of deposit with the Bank. The note is reported as long-term as it was refinanced subsequent to the balance sheet date.

Future minimum principal payments required under the note are as follows:

2017	\$	37,406
2018		<u>-</u>
	\$	<u>37,406</u>

Interest expense on this note payable was \$1,642 in 2016.

**NOTE 8: 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.

Sunrise Cove Time Share Association, Inc.  
West Lake Okoboji, Iowa  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2016

**NOTE 9: 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 \$12,805 are included in accounts payable and accrued expenses on the Balance Sheet at December 31, 2016. 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.

As disclosed in Note 8, 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 \$13,224 are included in accounts payable and accrued expenses on the Balance Sheet at December 31, 2016. The Association paid the Developer \$292,838 for maintenance of recreation facilities, common area amenities, and contracted labor, and \$193,233 for housekeeping and other administrative expenses 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 10: 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 2016, \$179,010 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

2018

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

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

**Welcome to the 2017 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 again 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.

**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.

**Too 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. Some Members and Renters are still a problem.

Iowa Resort Holdings the owner of the Resort took approximately 3 acres out of their farm to solve the problem for members and hotel guests.

**Members checking in kids for a party and leaving:** This is much better; **Abuse of Bonus Time:** It seems like every year something new comes up that hasn't been addressed.

**Destruction to units:** It's better since we have charged people: **Uninformed family members and guests of rules:**

\***Uninformed Renters:** It is the responsibility of the member renting their week to inform their renters of association and resort policies.

**Dead beats:** those that have not paid there maintenance 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 does 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. The money in 2015 new computer software. In 2016 and 2017 was used toward repairs and maintenance. Unable to find someone trust worthy at the price.

**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.

**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.

**Common Sense and Courtesy:**

Examples: parking....noise....beach....docks

**State Laws on Pools:**

Plan and Simple: abide by the rules or you will be kicked out

NO CHILD UNDER THE AGE OF 12 CAN BE IN THE POOL WITHOUT PARENT

**Wild life at the Resort:**



**Parents you are responsible for your CHILDREN:**

**Sunrise cove ongoing projects:**

Ongoing reconstruction of units starting with outsides  
Refinishing decks  
New carpeting  
Stripping walls of old wall paper  
New texture all walls and ceilings  
Indoor painting and refinishing woodwork  
Furniture replacement  
Replacing boilers  
Replacing air conditioners  
Replacing Appliances  
Replacing Landscaping  
Tearing out and pouring sidewalks  
Replacing screens  
Replacing roofs  
Trimming and removing old shrubs  
Tree trimming  
Blowing and picking up leaves  
Everyday maintenance to units as needed

**Some of the Major challenges ahead of us:**

Cost of labor compared to local manufacturing and factory jobs  
Lack of labor willing to work weekends & holidays  
Increasing costs of repair materials & parts  
Stopping the destruction of units by members and their guests  
Keeping a handle on taxes and insurance increases

**Items of cost concern upcoming year:**

1. Replace existing main electrical boxes to Units
  2. Insurance
  3. Change in government policies AGAIN...unsure about air conditioners and refrigerators going forward.
  4. Contract labor and Labor
  5. Replace key card locks on doors
-

**Notice on indoor pool**

Winter of 2017 pool was closed to clean, paint and replace needed parts. The hot tub area was completely rebuilt and all new plumbing installed. The pool will not be closed: However sometime in the next few months the pool filters will be replaced.

If you come this winter to snowmobile: If the ground is frozen before it snows there may be some piles of sand at the top of the beach.

Adjourn of meeting

Drawing of gifts

Dinner

Thank You for Attending the Meeting

**2017 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	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35	\$71.35
Maintenance	\$74.62	\$111.47	\$99.28	\$119.51	\$76.49	\$106.60	\$147.36	\$175.19	\$173.20	\$100.83	\$132.14
Recreation	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08
Recreation License	\$43.05	\$43.05	\$43.05	\$43.08	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05	\$43.05
Insurance	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35	\$21.35
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	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$114.74	\$114.74
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	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48
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	\$17.19	\$35.75	\$33.79	\$42.58	\$22.47	\$36.77	\$50.03	\$117.51	\$115.77	\$43.92	\$81.48
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>\$518.07</b>	<b>\$721.79</b>	<b>\$695.09</b>	<b>\$795.68</b>	<b>\$575.42</b>	<b>\$732.08</b>	<b>\$908.82</b>	<b>\$1142.04</b>	<b>\$1122.85</b>	<b>\$819.55</b>	<b>\$1235.00</b>

# Village West Resort & Hotel

## Checkout Penalty Charges

Unit: \_\_\_\_\_ Date of checkout: \_\_\_\_\_ Folio #: \_\_\_\_\_

Guest Name (first/last): \_\_\_\_\_

Address: \_\_\_\_\_

City-State-Zip: \_\_\_\_\_

Type of Reservation: \_\_\_\_\_

Credit Card: \_\_\_\_\_ Expire: \_\_\_\_\_

Date Charged: \_\_\_\_\_

- |  |         |         |
|--|---------|---------|
| <input type="checkbox"/> Unit not stripped                                   | \$20    | (57623) |
| <input type="checkbox"/> Blankets/Comforters/Bed pad not in bags             | \$20    | (57623) |
| <input type="checkbox"/> Dishes not washed or in dishwasher                  | \$20    | (57623) |
| <input type="checkbox"/> Kitchen items mixed in with another unit            | \$20    | (57623) |
| <input type="checkbox"/> Garbage not taken out of unit                       | \$20    | (57623) |
| <input type="checkbox"/> Extra Cleaning required, <i>details noted below</i> | \$_____ | (57623) |
| <input type="checkbox"/> Damages inside unit                                 | \$_____ | (59595) |
| <input type="checkbox"/> Stolen item(s) inside unit                          | \$_____ | (59595) |
| <input type="checkbox"/> Late checkout (____:____ a.m. /p.m.)                | \$25    | (59724) |

Details about this unit:

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Housekeeper/Witness: \_\_\_\_\_ Date: \_\_\_\_\_

Completed By: \_\_\_\_\_