

**THE PARK REGENCY TIMESHARE ASSOCIATION  
BOARD OF DIRECTORS MEETING**

**Held on Friday, September 11, 2009  
at 1255 Empire Avenue, Sweetwater Lift Lodge Resort, Park City, UT**

**MINUTES**

**I. CALL TO ORDER:**

President Richard Sporny called the meeting to order at 6:25 P.M. All five board members were present thereby establishing a quorum.

**Board Members in Attendance:**

Richard Sporny - President  
Larry Rupp - Vice President  
David d'Hulst – Secretary  
Rob Tew – Treasurer  
Dick Hoopes – Director-at-large

**Management Company Representatives in Attendance:**

Douglas L. Wilcox – Vice President  
Gary Fraizer – Association Accountant  
Ricky Stroud – Resort General Manager  
Crystal Clayburn, Front Desk Manager

**II. APPROVAL OF AGENDA**

Dick Hoopes moved to approve the agenda as presented and the motion was seconded by Rob Tew and approved by unanimous affirmative vote.

**III. APPROVAL OF MINUTES**

David d'Hulst moved to approve the minutes of the June 22, 2009 special meeting of the board as presented. Richard Sporny seconded the motion and it was approved by unanimous affirmative vote.

**IV. FINANCIAL REPORTS**

Gary Fraizer reviewed the July 31, 2009 unaudited financial report provided by Trading Places International. He reported that Gail had delivered the monthly financial with a cover page itemizing those areas of importance to review. He reported that Reserve held \$507,000 which was a concern of the board as major expenditures are underway on the lobby renovation.

Gary reported that the old Wyndham late and interest fee account receivable had been written off by a special program created by TSW which the board approved at the last meeting. The only accounts receivable showing on association accounts now is the actual owner assessments that remain unpaid.

A discussion was held concerning the income and expense and Gary reported that to-date there was a favorable variance in the amount of \$52,899. Ricky and his staff have secured savings in employee wages and benefits, housekeeping contract labor with the new housekeeping firm hired, linen and laundry. Utilities are lower than budgeted in the amount of \$25,590, telephone has been reduced.

A motion was made by Richard Sporny and seconded by Rob Tew to acknowledge receipt, review and filing of the May 31, 2009, June 30, 2009, and July 31, 2009 unaudited financial reports. Motion was approved by unanimous affirmative vote.

**Delinquency Report.** The July 31, 2009 delinquency report was reviewed. It was reported that the association had an 18% delinquency and that this is the percentage used in determining the proposed 2010 budget bad debt amounts.

**Delinquent Owner Deed Back Offer.** Doug Wilcox reviewed with the board a proposed letter to send to owners who are very delinquent. A motion was made by David d'Hulst and seconded by Dick Hoopes to have TPI send the letter to any owner who owes more than \$1,000 and to offer them assistance and the option of deeding their interval back to the association. Motion was approved by unanimous affirmative vote.

## V. MANAGEMENT REPORTS

Ricky Stroud reviewed his management report to the board dated September 11, 2009. He reported on the Virginia Graham Baker Act which is a federally mandated pool drain improvement program. He is planning on completion of the drains in October, 2009.

Ricky reported on the progress of the lobby renovation. The board had all had an opportunity to inspect. They learned that many additional matters had to be dealt with once the wall had come down. Drains had to be redirected, shear walls had been compromised in the past which had to be shored up, and an ADA qualified ramp at the entry had to be installed in order to pass city inspections. The lobby is scheduled for completion before the end of September, 2009. An open house is planned to show the community what has been accomplished.

Ricky complimented his front desk staff for their having taken a lot of difficult comments and complaints during the construction yet the hospitality ratings from comment cards have remained very high.

A motion was made by Richard Sporny to approve the expenditure of not to exceed \$12,000 on lobby furniture and fixtures. Motion was seconded by David d'Hulst and approved by unanimous affirmative vote.

**Action Items Report.** Doug Wilcox reviewed the action item list of tasks from the previous meeting and the board stated they appreciated all that has been accomplished. Of note was the Boards concern that Wyndham Management had not surrendered all of the association records to Trading Places. A motion was made by David d'Hulst and seconded by Dick Hoopes to have legal counsel send a letter to Wyndham Resort Management demanding the delivery of all records. The motion was approved by unanimous affirmative vote.

**RCI/TPI Comment Cards.** The board reviewed the comment cards and found that the ratings had taken a deep drop in approval over the past several months. Ricky discussed how all the renovation and construction had caused some difficult situations for guests. With the completion of the improvements this September the ratings should improve dramatically.

## VI. OLD BUSINESS

**Reserve Fund Policy.** David d'Hulst moved to adopt the policy on Replacement Funds as presented with an agreement to update the reserve study report every three years and to strive to fund the reserves to a level of 60% of the recommended amount. Dick Hoopes seconded the motion and it was approved by unanimous affirmative vote.

## VII. NEW BUSINESS

**2010 Annual Operating and Reserve Budget Approval.** The board of directors reviewed at length the proposed income and expense budget proposed by management. Following this discussion, Rob Tew moved to approve the 2010 Annual Operations and Reserve Budget in the total amount of \$2,739,378. This is to include owner assessments in the amount of \$2,476,498 which is an increase of \$71,513 over the 2009 budget or 5% increase in owner assessment. Motion was seconded by David d'Hulst and approved by unanimous affirmative vote.

**RCI Member Recovery Program.** After a review of the RCI information provided by Paul Hammons, Account Executive the board chose to not proceed with allowing RCI to solicit members to re-join or extend their memberships with RCI. They felt that owners were very aware of exchange programs and that those who are members do not need contact and other would not appreciate the board allowing the contact.

**ADA Qualified Units.** The board discussed communications and complaints from owners who had requested the use of the one ADA unit in the resort. It was learned that the one unit was already occupied by an owner who required it and so the new guest/owner was unable to use. The solution for the owner is to call in advance to reserve such unit and when they learn it may not be available they could change dates. In the meantime, the board directed management to complete some research on what it will require to make more units better ADA access and to report to the board at the next meeting.

**Owner Complaint.** The board reviewed an owner's complaint that computer equipment and other electrical equipment connected to their unit's electrical outlets had been damaged from a power surge. After lengthy review and discussion the board directed management to provide the owner with a \$500 payment in settlement of their claim.

## **VIII. EXECUTIVE SESSION**

The board left regular session at 9:30 P.M. to hold an executive session to discuss a legal matter. This concerned the hiring of legal counsel to update the association Declaration and Bylaws by amendment and make them uniform and make sure they are in complete agreement with Utah and Federal statutes that may have been changed since the documents were filed. David d'Hulst moved to approve a \$5,000 expenditure to meet the possible expenses for this project. Richard Sporny seconded the motion and it was approved by unanimous affirmative vote.

The late fees owing by an owner with a large group of intervals was reviewed and the board gave direction to management that those late fees were not to be waived.

The Board reviewed the circumstances of an agreement for the purpose of selling association intervals. The board determined to delay any further sales and to not renew any agreements until the board had completed a thorough research of all options available to it to solve the delinquent account problem.

Executive Session was closed at 11:00 P.M. and regular session reconvened.

## **IX. BOARD MEETING SCHEDULE**

The following schedule of meetings was agreed upon:

December 4, 2009 – Regular Board meeting in Park City, Utah  
March 5, 2010 – Regular Board meeting in Park City, Utah  
March 5, 2010 – Annual Meeting of Members in Park City, Utah  
June 18, 2010 – Regular Board Meeting – location TBD

## **X. ADJOURNMENT**

David d'Hulst moved to adjourn the meeting and Larry Rupp seconded the motion and it was approved by unanimous affirmative vote.

Minutes Prepared by:

Approved by:

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Douglas L. Wilcox, Agent

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David d'Hulst, Secretary