

**CLUB TAHOE RESORT OWNERS ASSOCIATION, INC.
MINUTES OF THE APRIL 24, 2010 ANNUAL MEETING
CLUBHOUSE, 914 NORTHWOOD BLVD. INCLINE VILLAGE, NV**

The 2010 Club Tahoe Annual Meeting was called to order at 10:00 a.m. by Mr. Rich Roll, President of the Board of Directors. Mr. Roll welcomed those in attendance and announced that we had the necessary quorum in order to conduct the Annual Meeting.

Mr. Roll introduced the other members of the Board of Directors; Mr. Ken Burns, Secretary, Mr. Don Wall, Treasurer, Mr. Marc Pearl, Member, Ms. Jan Riedel, Vice President and Mr. Daren McDonald, Member.

Mr. Roll asked for a motion to dispense with a reading of the 2009 Annual Meeting minutes and to approve the minutes. A motion was made and was seconded and there being no objection the minutes were approved as written.

Mr. Roll introduced Ms. Shirley Bauer, General Manager and she introduced her management team; Mr. Carlos Dubon, Housekeeping Supervisor, Mr. Phil Lerma, Maintenance Supervisor and Ms. Michelle Hoffman, Executive Supervisor. Ms. Bauer also introduced Ms. Tera Wales, currently employed by Trading Places but will soon assume the position of Front Desk Supervisor, as well as Ms. Juana Meza who is assigned to the Front Desk. Shirley also introduced Ms. Cindy Zeddies who is a local realtor who specializes in listing and selling Club Tahoe timeshare units.

Ms. Bauer introduced Mr. Dubon again and he recognized one of his employees, Ms. Mercedes Ayala, for her 10 years of service at Club Tahoe and presented her with an award and a check for \$100.

Shirley stated that she is retiring this fall and that Michelle Hoffman will assume the position of General Manager effective September 1, 2010. Shirley presented Michelle with a personal gift and stated that she was certain the transition of General Managers would take place very smoothly.

Ms. Bauer again introduced Ms. Wales, currently from Trading Places, who gave a brief presentation on the services Trading Places has to offer Club Tahoe owners. In honor of Mr. Roll's retirement from the Board, Ms. Wales presented him with a certificate for a complimentary week of travel from Trading Places. Ms. Wales also had a drawing of assorted prizes for the members in attendance provided by Trading Places.

Mr. Roll discussed many of the developments occurring at Club Tahoe this past year. He had previously announced he is retiring from the Board after 30 years and that Ms. Bauer is retiring in October after 29 years of service at Club Tahoe. Mr. Roll also assured everyone that the membership can expect a smooth transition with this change in the Board and the upcoming change in Club Tahoe management.

Mr. Roll discussed the progress of the Kitchen and Bath Remodeling Project. Mr. Roll stated the project should be completed by June which was earlier than scheduled. Mr. Roll thanked Mr. Lerma and Mr. Dubon and their teams for all their hard work they performed in assisting in the completion of the project. Mr. Roll also recognized former Board Member Mr. Lee Taylor, who passed away last year. Mr. Roll stated that Mr. Taylor was instrumental in guiding us through the bidding process and helping to select the best materials that were within our budget. Sadly, Mr. Taylor passed away before the first unit was completed and he didn't get to see the finished product. Mr. Roll noticed that Lee's wife Midge Taylor was in the audience and he introduced her to the membership.

Mr. Roll turned the meeting over to Mr. Wall who reviewed certain aspects of the 2009 financial statement. Mr. Wall invited those in attendance to follow along with the financial statement provided to all attendees. He reviewed the various expense categories commenting on items over and under budget. He stated that earnings on investments were under budget by \$10,698, the Administrative Expenses were under budget by \$14,150, bad debt write off was \$11,958, Operating Expenses were under budget by \$43,256, Accounting Expenses were over budget by \$846, Housekeeping Expenses were over budget by \$20,441, Maintenance Expense was under budget by \$25,350 and Club House Expense was \$14,559. Net loss for 2009 was \$5,452 or .003%. There was income carried over from 2008 of \$4,362, therefore final net loss was \$1,090. The rental income program generated \$12.32 income per interval week.

Mr. Wall continued his report of the expenditures of the reserved items: The Kitchen and Bath Remodeling Project cost was \$903,936, Paving was \$29,740, Bathroom Floors was \$21,685 and Kitchen floors was \$14,151. Other small miscellaneous items totaled \$34,348. Total Reserves spent in 2009 was \$1,003,860. Club Tahoe ended the year with a balance of \$730,000 in reserves. Mr. Wall stated \$534,000 was placed into the reserves last year. Mr. Wall stated that we are basically on budget for the first quarter of 2010.

Ms. Bauer addressed the owners and thanked them for attending. Ms. Bauer discussed the installation of Wi-Fi access to the units. Ms. Bauer stated this project is nearly complete and we hope to have Wi-Fi access to all the units by this summer. She reminded everyone that Wi-Fi has been available in the club house for several years.

Mr. Roll turned the meeting over to Mr. McDonald to conduct the election of directors. Mr. McDonald stated the terms of two board members are expiring at this Annual Meeting, specifically the seats held by Mr. Pearl and Ms. Riedel. Both current Board Members have indicated their desire to run for re-election. The Nominating Committee recommends the re-election of Mr. Pearl and Ms. Riedel. Mr. McDonald opened the floor to nominations. With no nominations from the floor, a motion was made by attendee Mr. Billings to vote for a white ballot; to adopt the Nominating Committee's slate of Mr. Pearl and Ms. Riedel. The motion was seconded and all members agreed unanimously.

Mr. Roll opened the floor to discussion. When questioned, he briefly discussed the status of the indoor spa issue. He stated that following an engineering study and preliminary construction bids, it was determined the cost of relocating the spa was cost prohibitive and therefore not feasible at this time.

Mr. Burns mentioned that Shirley and her Department Heads took Rich and his wife Gail out to lunch yesterday and that the Board and their spouses took Rich and Gail out to dinner at his favorite Lake Tahoe restaurant last night. Former Club Tahoe Board member Murray Ison and his wife Nancy came all the way from Arizona to help celebrate Rich's retirement. At the dinner a plaque was given to Rich with a picture of current and former Board members who served with him the longest.

Mr. Burns recognized and thanked Mr. Roll for his 30 years of service to Club Tahoe on the Board of Directors and presented him a plaque honoring his years of service. The plaque states "Rich Roll, President, Club Tahoe Board of Directors, 1980-2010, In Recognition of your vision and dedicated leadership". This plaque will be on display in the Club House. Mr. Burns advised Rich that the budget for his retirement gold watch was exhausted after the other expenses related to his retirement. Instead, he was presented with a box of Cracker Jacks in which was found a Spider Man Watch. He seemed truly surprised.

Mr. Roll thanked all those in attendance and the Board for their support over the years. Mr. Roll informed everyone that one of his greatest pleasures in working with the people at Club Tahoe was working with Shirley. He said they not only developed a cooperative working relationship but a sincere friendship, as well. He presented her with a large beautiful flower arrangement.

Mr. Burns presented Rich with a retirement cake and invited all in attendance to join Rich for some cake and wish him well in his future plans. He also invited all members to join the Board in the business Board meeting upstairs after a short break.

With no further business brought before the membership and the Board, a motion was made and seconded and all agreed unanimously to adjourn the Annual Meeting at 11:00 a.m.