Highlights from 2013 Annual Members Meeting of the Disney Vacation Club Condominium Associations, Inc.

The meeting was held on December 12, 2013, at Disney’s Contemporary Resort Convention Center. Board Directors present were Yvonne Chang, Leigh Anne Nieman, Jeff Craigmile, Sonya Deese-Byrnes and Ken Potrock. Also in attendance was Terri Schultz, Treasurer for the Associations. Voting representatives attending were Jeannette Greene and by phone from California, Lorraine Roe and Dan Coleman.

Resolutions passed:

- Any assessments collected by or paid to the Association in excess of operating expenses of the Association for the year ending December 31, 2013, shall be set aside for future major repairs and replacements and allocated to capital components of the condominium property governed by the Association as provided by the guidelines established by the Internal Revenue Code under IRC Section 118 and Revenue Rulings 75-370 and 75-371.

  Such amounts shall be deposited into insured interest-bearing accounts and shall be allocated to the various components at the discretion of the Board of Directors for the Association.

- The amounts assessed to fund the Capital Reserves Budget are not payments for yearly Association operating services.

Budgets were presented for the 2014 annual dues. Increases in operating costs were primarily driven by increased labor costs and, in alignment with Walt Disney World Resorts and Disney Cruise Line, expanded lifeguard hours at feature and popular pools. Also, an additional enhancement to the room experience is a change in the bedding at some resorts to be completed in 2014.

Disney Vacation Club has implemented the pooled accounting method. The pooled method provides for the necessary reserves when work needs to be done. However, if replacement or maintenance needs occur unexpectedly, the “pool” of money in the reserve fund is available for costs affiliated with any item in the reserve pool.

Steven Brettholtz, president of Myers, Brettholtz & Company, performed independent audits of the Disney Vacation Club Condominium Associations’ books. For the year ended December 31, 2012 all of the Disney Vacation Club Owner’s Association Audits received an Unqualified or “Clean Opinion”. In addition, there were no significant deficiencies or material weaknesses found in their internal controls over financial reporting.
Resort Updates:

In 2014, we look forward to a hard goods refurbishment, which consists of a redesign and replacement of furniture and appliances, at Disney’s Hilton Head Island Resort and The Villas at Disney’s Wilderness Lodge. In response to Member feedback and as part of the refurbishment at The Villas at Disney’s Wilderness Lodge a fifth sleeper is being added to the deluxe studios. Additionally, Disney’s Beach Club Villas and Disney’s BoardWalk Villas are in the planning stage for a hard goods refurbishment. Details will be provided at a future date.

Soft goods, which consist of interior paint, flooring and fabric replacement, are in the planning stage for Disney’s Animal Kingdom Villas, Bay Lake Tower at Disney’s Contemporary Resort and The Villas at Disney’s Grand Californian Hotel & Spa.

At Disney’s Old Key West Resort the refurbishment of the sandcastle and dolphins icon was completed. Starting in early 2014, several large-scale projects will be underway, including work at Olivia’s, Gurgling Suitcase, Goods To Go, and nearby restrooms, as well as removal of the pool bridge. During the time that the bridge work is taking place, the feature pool will be closed.

Alternate feature pool options will be available as well as 3 leisure pools and spas.

The sea turtle mosaic in the lobby floor at Disney’s Vero Beach Resort has been enhanced. Design work for a hard goods refurbishment will begin in 2014.

The changes for the bedding components at the resorts are nearly complete. All resorts are expected to be complete by next year. Some resorts that have partially transitioned will receive bed scarves and bed skirts in the near future.

A Glimpse Ahead:

There is tremendous momentum at Disney Vacation Club as we go into 2014. Disney Vacation Club Members can look forward to new and enhanced Member services and more vacation destination exchange options. There will be exclusive experiences at the Walt Disney World Theme Parks and exciting new trips with Adventures by Disney. Additionally, Member perks will include more benefits for Disney dining, shopping and tickets. All of this means additional choice, flexibility and access for our Members.

All of us at Disney Vacation Club wish you a wonderful holiday season!