

Summary of Current Club Tahoe Unit Owner Concerns

1. Board Composition and Member Election

The Club Tahoe Board of Directors (BOD) can include up to seven members but currently has four. Some owners have reported that their applications to run for board positions were not processed appropriately. Following the resignation of a fifth member in late 2022, the BOD chose not to fill the vacant seat at the time and did not include this seat in the 2023 board election. Owners volunteering to assist in various areas (such as insurance, maintenance activities, finance) have not had their offers utilized.

2. Voting Concerns

Concerns have been raised regarding the use of association-owned units for voting, with proxy votes reportedly assigned to incumbent board members. Owners questioned the inherent conflict of interest this practice could represent at the April meeting and in follow-up communications but have not received a response.

3. Election Integrity

An owner witness to the April 2024 vote count expressed concerns about possible irregularities. Election rules state that the board should be recused from the counting process, which must be conducted openly for all attending unit owners. However, the vote count reportedly occurred behind closed doors, with only one unit owner present as a witness. Requests for details on proxies used, how they were voted, and comprehensive meeting minutes have not been answered.

4. Association-Owned Weeks and Tricom's Role

Tricom's management contract includes responsibility for the resale of association-owned weeks. However, recent records indicate little or no sales activity since 2019, with retained units rented out instead. The association reportedly receives only a fraction of typical maintenance fees for these units, significantly reducing revenue. Despite inquiries, the board has not disclosed the number of weeks in "association-owned inventory," estimated to be up to 750 weeks, potentially reducing annual revenue by as much as \$400,000.

5. President's Background

Public records show that the board president, Marc Pearl, was barred from the financial securities industry in 2017. Some owners feel this may be relevant to his fiduciary responsibilities and have expressed concern over the non-disclosure of this information.

6. April 2024 Meeting Attendance

In April 2024, some owners traveled to attend a scheduled owners' forum in person to address multiple concerns, including maintenance, the reliability of advertised services, and board transparency. Despite prior notice, no BOD members attended the forum. Following an email to the board and Tricom, President Marc Pearl indicated that there was no requirement to hold the meeting. Updated owners' forum policies now allow owners three minutes to address the board within a 30-minute session, with speaking participants selected by the board.

7. Future Vote on Club Tahoe's Fate

In 2028, association members will vote on whether Club Tahoe will continue as a timeshare property or be sold or repurposed. Documents explaining this vote were made available online (as per Nevada statute requirements) only after repeated requests and a formal complaint to the state.

8. **Questionable Transfer of Association-Owned Weeks**

In 2023, two prime season weeks (week 29 and week 52) were reportedly transferred to Marc and Jennifer Pearl. The details of this transaction, and any role of Tricom, are unclear. Some owners have expressed concern about a potential conflict of interest, but questions on this transfer have not been addressed.

9. **Formal Complaints Filed**

Owners have filed complaints with the state regarding board practices and Tricom's management. The BOD has engaged an attorney in response to an ADR complaint, while 514A complaints against Tricom are still in process.

10. **Property Maintenance and Staffing Issues**

Earlier this year, out-of-state contractors reportedly caused property damage during repairs. Affected owners were not informed of the issues, and there has been no response to inquiries about the extent of the damages and resulting repair costs. Additionally, 22 new TVs awaiting installation have reportedly been stolen, with no updates provided to owners.

11. **Maintenance and Services**

Owners have reported concerns about unit maintenance, unreliable internet, limited club activities, and restricted access to private Incline Village beach passes. The Club House has also faced reduced hours and staffing issues, with no on-site manager available until late October. The board has no specific plans to address these issues, only general assurances that they are "working on it."

12. **Rental Pool Payment Issues**

Several owners participating in the Tricom rental pool reported delayed payments and inconsistent information. Only one Tricom employee, Derrick McCarthy, is authorized to address rentals, and limited information is available on how association-owned weeks are managed compared to owner units. Tricom's revenues from these rentals are not fully disclosed.

13. **Owner-Led Communication Efforts**

A group of owners has been working to inform others about these concerns. Efforts include sharing updates, contributing to legal funding, and preparing for future votes. Owners can adjust email preferences or review past topics on the Club Tahoe website. The board has suggested these communications may be improper; however, unit owners are legally entitled to request a copy of current unit owners' names and addresses. Additionally, the association's bylaws allow unit owners to distribute information at their own expense. Some owners feel the board's statements may be intended to discourage participation.