



VILLA MYKONOS NEWS

THE NEWSLETTER FOR CONCEPT IN TIME OWNERS ASSOCIATION

KEITH BROWN, EDITOR

SUMMER 2010

DESH DESCHLER, PRESIDENT

LARRY SILVERMAN, CFO

MARLA HORN, SECRETARY

KEITH BROWN, VP - MARKETING

BRANDY JONES, VP - OWNER RELATIONS



PRESIDENTIAL NEWS...Desh

Deschler, President

Happy Independence Day,
everyone!

First, I want to report on the success to-date for the property tax contribution and interval sales promotion campaigns.

We still have not fully covered the entire amount of the substantial property tax increase, but the contributions are helping to offset this unexpected expense.

The Board sent private letters of appreciation to those owners who have contributed to offset the nearly \$9,300 property tax increase. While we will not publish their names in the newsletter to respect their privacy, I still want to take a moment to publicly express the Board's and my personal thanks to them for the boost.

This is not the end of this tax campaign, however. Owners who have not yet contributed can still send additional amounts to cover this unexpected amount.

While Dr. Silverman, our CFO, does an incredible job with the annual budget and accounting, this substantial increase was not included in the 2009/2010 fiscal budget. There was no way for him to have predicted such an extraordinary event when the budget was prepared in May and June of 2009. That is why

the voluntary contributions are requested. Covering such an unbudgeted item means many of the planned improvements for the resort must be postponed or simply cannot be afforded. The alternative would be a special assessment to make up this deficit, but the Board is doing all it can to avoid doing so.

We also have the privilege of welcoming two new owners that took advantage of the interval purchase promotion.

We had no idea what response to expect when we launched the campaigns, but I am happy to report that we are all very happy with the results so far.

Thank you again to all who contributed and a warm welcome to the new owners and all those who have helped make it a success.

I am happy with the results of the Board's summer on-site meeting. As part of the results, the rules and regulations will be modified to clarify and add more detailed information on how the waiting list process works for reservations.

We will also describe the lag time for updating the on-line reservation calendar. While the on-line reservation calendar can be used as a planning tool to check on upcoming availability, the calendar is not automatically updated when owners make their selections. So, it is possible for more than one reservation for the same unit and time to be made by

different owners, even though the on-line calendar may show availability. It is not until the reservations are confirmed during the next business days that the on-line calendar can be updated. Unfortunately, the initial costs to add an auto-update function, with the required privacy filters, is prohibitively expensive at this time.

The reservations wait list has also become an issue lately. While we have extended exceptions to owners whenever possible, those exceptions cannot always be accommodated, especially for last-minute requests. It is discouraging when exceptions have been made in the past, but then negative feedback is received when those expectations cannot be accommodated again for another visit. Our goal is to clarify both concerns and reduce any confusion.

As part of the on-site board meeting, we conducted a walk-through of the property. This allows us to assess the condition of the resort and note potential problems or areas for improvement. Those items form a starting point for budgeting and planning purposes. For instance, some of our equipment is older and scheduled for replacement as it reaches the end of its expected useful life. Re-prioritizing that replacement or repair activity may be necessary after our inspection.

These walk-throughs can be bitter sweet. We are so proud of our "jewel in the desert", but then we find things that will require an unexpected and sometimes costly repair or replacement that quickly brings us back to reality.

Michael and I are at the resort every two months. Each time, we notice the many little and not so little improvements that collectively make a big difference. Many of you have felt the same way, as reflected on your comment

cards. Thank you for letting us know you enjoy and appreciate those efforts.

Besides the loan and changes to the wait list rules, we also discussed some additional ideas at the on-site meeting that may enable us to fast track our efforts to spruce-up and improve the resort, as well as reduce the number of unexpected maintenance surprises.

For the 2010-2011 fiscal year, the annual assessments will have to be increased a bit more than the small increases of prior years. This is primarily due to the on-going \$9,300 increase in the annual property tax assessment and the need to replenish the Reserve Account for the 2010 property tax payment.

While on the subject, I feel I must mention assessment payments before I close my article, as it is a significant problem that really does not need to be.

Operation of the resort is almost completely dependent upon timely collection of assessments when due. Only a small amount of revenue is available from bonus time and rentals.

While most owners do pay on time, when assessments are not paid in a timely manner, it creates cash flow problems that complicate the challenges of running the resort, such as paying operating expenses like utility bills and maintenance costs.

More than just enjoying our time at Villa Mykonos, we also are all owners of California real estate. Therefore, we are subject to numerous state and local rules and regulations. For instance, we must accrue adequate funds to satisfy state laws concerning financial reserve requirements for common-interest developments. We must also pay property tax assessments and meet numerous other requirements.

We are equal partners in this unique resort. In essence, we are a family of owners, with common goals to protect and enhance our Villa Mykonos investment. Like a family, we must each depend upon the other to meet our individual and collective commitments and obligations.

If we know an owner may be experiencing payment problems, we can make adjustments and work with the owner to avoid late fees and other consequences. However, if the owner fails to notify us and avoids our attempts to contract them, it can be too late to make such adjustments and the negative consequences can quickly compound.

When we are left with no options and must turn an account over to a collection agency, everyone loses. We lose that part of the assessment income needed to run the resort; and the owner's credit rating goes down the tubes. All of this is unnecessary and can be avoided simply by talking to us. We will do all we possibly can to help the owner through these temporary difficulties. Avoiding our attempts to help will only result in an easily-resolved issue turning into a nightmare.

The most exciting news is the Board of Directors accepted an offer of a loan of \$60,000.00 from an owner, with very favorable terms. The additional source of funds will be very beneficial for Villa Mykonos and allow us to make several improvements that will actually save us money over time through decreased operating and maintenance costs—such as lower utility bills.

Right now, we have insufficient reserves available to tackle all of the major capital items that need to be done around the resort. For instance, we have another air conditioner on the verge of retirement and it is only a matter of time before the rest will give us a problem. Other repairs and improvements can also be

accomplished which will add to the comfort and improve the appearance of the resort for the enjoyment of all. Best of all, it will help avoid further depletion of our reserve funds. It is important that the resort operates without the extra costs involved with deferred maintenance whenever possible. I am sure it is all our desire to continue the upkeep and upgrading of our “jewel in the desert”.

My time on the Board has made me even more appreciative of just how special and unique Villa Mykonos is among vacation time-share resorts. And, speaking of the Board, there will be two board positions up for election at the 2011 Owners' Meeting in February 2011. Additionally, one of the current board members may not run for re-election. So, if you are interested in becoming part of our great team, please contact any board member or management for additional information.

Remember, if you would like to help with any amount to offset the unanticipated property tax burden, it can be sent to the office at: 67-590 Jones Road, Cathedral City, CA. 93534. You may also make a credit card payment through the office @ 1-760-321-2898, Tuesday – Saturday, during normal business hours.

I will sign off for now and leave space for others to tell you their news. They have a lot of information to share with you.

Wishing you a safe, happy and fun-filled Summer!

-- Desh



FINANCIAL
UPDATE...Larry Silverman,
MD, Chief Financial Officer

Along with this newsletter, you will find the Financial Report for the last fiscal year (July 1, 2009 – June 30, 2010); the updated reserve

fund analysis; the pro-forma budget for the new fiscal year (July 1, 2010 – June 30, 2011); and the new fiscal year assessment.

Not to worry, in spite of the unforeseen doubling of the property taxes, the assessment increase is only a 4.34% increase from last year. The 2010-2011 assessment is \$889.00 per interval.

Please note that our entire long-term liability at the close of the 2009-2010 fiscal year was \$58,667.94. Congratulations to us all!

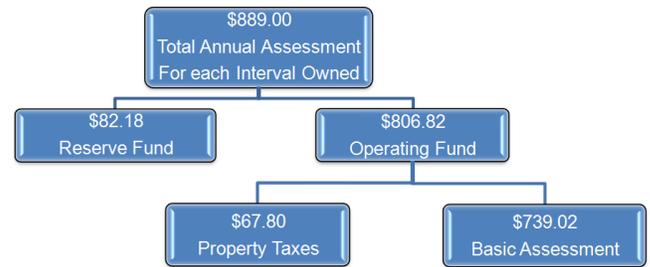
A new owner, Charlie Innskeep, generously offered a significant loan to Villa Mykonos, which the Board accepted at the June on-site meeting. This loan will provide the resort with a much-needed infusion of capital. The loan is for \$60,000, at a 5% fixed interest rate. The loan will be paid back over the next seventy months. Combined with the prior long-term liability, the resort still has very low debt, compared to the value of the property, even in today's real estate market.

These funds will allow us to continue our scheduled maintenance and replacement activities; to make new improvements to our property; and, at the same time, restore and increase our reserve funds that were depleted to pay the huge, unexpected property tax increase of 97.30% last year.

Reading through financial and budget reports is not exactly exciting, but I and the rest of the Board spend a great deal of time and effort to monitor and control the fiscal health of the resort. This work performed by the Board helps protect and enhance the value of your ownership interest. So, please, review these reports and feel free to contact me with any questions at: CFO@villamykonos.com.

In case you were wondering where those assessments dollars go, here is a breakdown of

the major categories that make up the budget and uses of funds.



If you are not familiar with the options for paying your assessments, please note the following. At the beginning of each new fiscal year (now), you can select from among the four available options for how you will pay. The choices are: Annually, Semi-annually, Quarterly, or Monthly.

If you paid assessments last year, the initial invoice (included with this mailing) is based on the option you selected last year; otherwise, the invoice will show the Annual assessment amount. You may change to one of the other payment options from that shown on the invoice, but only at the time you make your first payment.

If you want to change the assessment method, just cross out the figure on the invoice and change it to the appropriate amount. The Annual option is one single payment of \$889.00, due on July 19th. The Semi-annual option consists of two payments of \$450.50, due on July 16th and January 16th. The Quarterly payments consist of four payments of \$228.25 and are due on July 16th, October 16th, January 16th, and April 16th. The Monthly option payments are \$80.00 and are due on the 16th of each month, but only if we have a current e-mail address on file and you provide either a valid credit card or you set up an automatic payment from your bank.

If you desire to pay with a credit card; then, within one week of receiving this mailing, fax or send me a completed Credit Card

Authorization form (enclosed in this mailing).
Please note: **The Credit Card Authorization Form must be filled out each fiscal year!**

You also will be receiving a database update form. Please complete this as soon as you receive it. Thank you. It is the only way we can keep in touch with you. E-mail addresses, phone numbers, and postal addresses frequently change. The form you will receive shows the information we currently have for you. If there are any changes, please note them on the form and return the form to me. **IF THERE ARE NO CHANGES, PLEASE CHECK THE BOX AT THE TOP OF THE FORM, BUT PLEASE STILL RETURN THE FORM TO ME.** Your assistance is always appreciated.

Enjoy what I hope will be a wonderful summer!

--Larry

“The more we do, the more we can do; the more busy we are, the more leisure we have.”—Dag Hammarskjold



MANAGING THE VILLAS...Ken Jacobi, General Manager

Well, we are half way through the year, already. I cannot believe it!

On that note, some of you have taken my advice and booked early this year...however, some have not and we are already seeing some difficulties booking in October and November. Please use the on-line reservation calendar on our website to check availability. Even though the reservation calendar is not updated in real time, it definitely will help.

If you do not know or cannot remember the login information, you can find it below in the “What’s New” section of the article.

Remember, when booking outside of your designated interval week, a reservation cannot be confirmed until 30 days or less before the requested stay.

Almost everyone knows about our waiting lists offered for dates that are outside of your designated week or for periods that are fully booked. These waiting lists are a convenience and do not guarantee a request can be honored.

For instance, you may own a Summer week interval, but want to use your time over Labor Day, which is a Holiday interval. You can ask to be put on the waiting list for the Labor Day period.

Thirty (30) days prior to your requested stay, the units are then booked on a first-come/first-served basis, subject to availability.

You can request being placed on a wait list under the same rules as booking your interval week; that is, you can request your stay up to nine (9) months in advance. I also encourage everyone to call and check the status of your request when your 30-day window arrives.

The summer rate for bonus time is \$75 for the first night and \$50 for each additional night. So, come on out for the summer—well, at least for those of you who like the heat in the desert.

Requesting and booking bonus time is also subject to first-come/first-served availability. You can also request to be put on a wait list for a particular time period even if you are planning to use bonus time to book your stay.

What’s New?Not so new, but worth another mention.

If you have not been to our website lately, it has been re-designed. The Owner’s section now is actually very interactive. You can view

the on-line Reservations Calendar to help you in deciding on a stay and what units might be available. The website address is: www.villamykonos.com

The Owners' section LOGIN information is:

Username: mykonos

Password: greece

(All lowercase letters, and the same for everyone.)

RCI Update

If you have ever thought about joining RCI, now might be a good time. For a limited time (through December 31, 2010), RCI is offering free membership to those who do not already have a current RCI membership. Check out the details at www.rci.com/freemembership. You must be a Villa Mykonos owner or owner of an RCI-participating resort.

When banking with RCI, the same rules apply as when booking your interval stay here at the resort—with a couple of exceptions. You can still book up to nine months in advance. First, however, your dues must be paid in full to book with RCI. Second, we decide the weeks that can be banked with RCI. Since owners reserving their designated intervals have priority, we designate certain weeks for RCI use to avoid as many conflicts as possible. So, again, just like booking your own stay, the further out you book through RCI, the better.

In November of this year, RCI anticipates rolling out more detailed explanations of trading power and what advance booking can do for you. So, those of you who are RCI members will be able to see exactly what your traded week represents in terms of trading power with RCI.

If you have any questions, you can call RCI directly at 1-800-338-777; go to their website at www.rci.com; or contact me here at the resort.

What's Happening?

Besides the Events Calendar in the newsletter, now that we have gone digital, I put in a link to all the events for the year below.

<http://www.palmspringsgayinfo.com/events>.

Please note that we are already fully booked for Pride week and Leather Pride. However, we have started a waiting list for those periods.

Besides upcoming events, the old "Sidewinders" bar across Hwy 111 from the resort is under new ownership. The bar is now called "ELEVATIONS," and has been open approximately two months. Despite the relatively slow period for business in Palm Springs during these warmer months, they seem to be doing okay. They offer a variety of shows and music genres—from current hits to country. Stop by the next time you are here.

Also across Hwy 111 from the resort, Studio 111, a quiet atmosphere piano bar, is still going strong. Studio 111 is located in the same commercial center as Sidewinders and just opposite from Trader Joe's. Please support our fellow local GBLT businesses when you come to Villa Mykonos.

Hope everyone has a scorching great Summer!
See you soon!

-- Ken

"If you are going through hell...I suggest you come back learning something." –Drew Barrymore

OWNER RELATIONS... Brandy Jones, Owner Relations

Hi, All!

I hope everyone is having a great summer!

Living in the San Francisco Bay area, our weather has been a



“tease.” One day, we have the sun; and then it feels like autumn again. But, all in all, I love it here. Of course, when not enjoying my regular home, I certainly enjoy Villa Mykonos.

I still want to reach out to all the owners of Villa Mykonos—this time in the form of acknowledgments and celebrations on milestones/birthdays/anniversaries. I would like anyone who would like to share such information with fellow owners to let me know. We can acknowledge those special occasions in the newsletter. It is nice to learn more about our fellow owners to help celebrate such events.

Since I do not know the birthdays of many of the owners, I still will say a belated “Happy Birthday” to anyone whose special day was in January through June (mine was in February, yea!) and a prospective “Happy Birthday” to owners with birthdays in July through December, if you do not send more specific dates.

Again, I would like to say, if you are feeling the effects from the current economy and need a little help with meeting your assessment obligations, please contact me or Dr. Silverman and let’s talk. We are all in this together and, together, we can come up with a solution. However, if we do not hear from you; then we have no idea how we can help.

It is also a good idea to check and update your contact information: home address, telephone, cell number; e-mail address, etc. Please take the time to review the contact information form included with this annual mailing of the upcoming fiscal year budget and return the form with any corrections and updates.

As Ken Jacobi mentioned in the General Manager’s report, RCI is offering a free membership opportunity. The initial fee to

join RCI will be waived during this limited time promotion. You must still pay applicable exchange fees, but it still represents a savings. You must be a Villa Mykonos owner to take advantage of this offer. The offer cannot be used by anyone else.

Some details are provided in the flyer attached to this newsletter. Check out the details at: www.rci.com/freemembership.

Wishing you all a terrific Summer!

-- Brandy Jones

MARKETING... Keith Brown, VP Marketing

We are following up on the suggestions from fellow owners for additional outreach avenues, especially Internet-based venues. We also are making arrangements for a Las Vegas, Nevada-based GLBT publication to write a feature article on Villa Mykonos. As always, your suggestions for additional outreach sources are much appreciated.

Remember, you can submit your comments, questions, articles, jokes, quotes, et cetera, to me at VP.Marketing@villamykonos.com. Please, do not forget we still would like submittals for our *Spotlight On Owners*. No need to be bashful. Let us celebrate and share in your unique hobbies or accomplishments and contributions at work or in your community. Send your stories to: VP.OwnerRelations@villamykonos.com.



THE READER’S CORNER

Looking for a good book to read while relaxing at Villa Mykonos or at home? The 22nd Lambda Literary Award finalists were recently named for the best in various LGBT literary genres.

Among the best LGBT Anthologies is *My Diva: 65 Gay Men on the Women Who Inspire Them*,

edited by Michael Montlack (Univ. of Wisc. Press). Sixty five gay men contributed essays and personal anecdotes to this collection. Among these inspirational icons are: Elizabeth Taylor; Audrey Hepburn; Eva Perón; Tina Turner; Margaret Cho; and Lucille Ball. Among the best Lesbian Fiction books is: *More of This World or Maybe Another*, by Barb Johnson (Harper Perennial) According to critic Susan Stinson, "Reading these stories feels like falling in love with the whole brutal world again. Johnson brings a killer sense of humor, a

spectacular way with narrative, and flat-out wisdom to her first book."

Salvation Army, by Abdella Taia (Semiotext(e)) is a finalist for Best Gay Fiction. More autobiographical than fiction, Taia tells the story of coming out as a gay man in Morocco and the clash between Arabic cultures and phobias and that of Western Europe.

"As we express our gratitude, we must never forget that the highest appreciation is not to utter words, but to live by them." -- John F. Kennedy

PALM SPRINGS 2010 EVENTS CALENDAR

October -----	Annual Desert AIDS Walk
October -----	Samsung Golf Tournament
November 6 th – 7 th -----	Palm Springs Pride
November 13 th -14 th -----	Palm Springs Leather Pride
December 5 (5PM to 8PM)-----	Festival of Lights Parade- Palm Canyon Dr.
December 20 -----	Andy Williams Christmas Show (7PM McMallum Theatre)

DIRECTORS & MANAGEMENT

Desh Deschler, President -----	President@villamykonos.com
Marla Horn, Secretary -----	Secretary@villamykonos.com
Keith Brown, V.P. of Marketing -----	VP.Marketing@villamykonos.com
Lawrence Silverman, Chief Financial Officer -----	CFO@villamykonos.com
Brandy Jones -----	VP.OwnerRelations@villamykonos.com
Ken Jacobi -----	Manager@villamykonos.com

VILLA MYKONOS

67-590 Jones Road
Cathedral City, CA 92234-6401

Tel: **760-321-2898** Fax: **760-321-0164**
Website: **www.villamykonos.com**