



**CONDOMINIO VILLAS AT CLUB INTRAWEST ZIHUATANEJO, A. C.
June 13th, 2014 VILLAS BOARD OF DIRECTORS MEETING**

In Vancouver, British Columbia, Canada at 2:00 pm on Friday June 13th, 2014 at the Offices of the Intrawest Resort Club Group at 326 - 375 Water Street, Vancouver BC.

Present were: Robert Reyes, Enrique Vázquez, Sandra Ruff, Dolores Heisinger (vía Telecom), Gregory Lee (vía Telecom), Marie Cummings (via Telecom) & Indira Hernandez (vía Telecom).

Called to Order

Robert Reyes chaired the meeting and the Villas Board of Directors Meeting was called to order by Robert Reyes at 2:04 pm. Robert proceeded with the details of the meeting. Participants were introduced by the chair.

Adopt Agenda

MOVED BY Dolores Heisinger, SECONDED BY Gregory Lee THAT the agenda is adopted as presented. Motion carried.

Notice of Motion:

1.- Review and approve the 2013 Audited Financial Statement

Discussion:

Enrique Vazquez, Club Intrawest Director of Finance Mexico, presented the independent auditor's report regarding the 2013 Villas financial statements issued on April 25, 2014, by PricewaterhouseCoopers, S.C. In their opinion such financial statements present fairly in all material respects and in accordance with Mexican Financial Reporting Standards the financial position, financial performance and cash flows of the Association at December 31, 2013.

Enrique explained the Balance sheets and statement of activities are divided in two main categories. They are not restricted and temporary restricted.

Total assets as of December 2013 amount \$1.4 million pesos vs \$2.3 million in 2012. Total liabilities show \$314,000 in 2013 vs \$1.8 million in 2012. Then main reasons of such variances are the reduction in accounts payable and cash. Net assets at December 2013 are \$1.1 million pesos vs \$468,178 MXP.

Enrique also explained the Statement of Activities that shows the following. Fees paid by members in 2013 were \$9.1 million vs \$8.4 in 2012. The increase was due to recover part of the Reserve in the Villas Association.

Interest gained in 2013 were \$41,373 MXP vs \$159,354 in 2012. Main reason in reduction of such interest was the decrease in bank account balances to pay account payables.

Total operating expenses were \$7.3 million and \$1.2 M in reserves while in 2012 results were \$7.8 and \$3.4, respectively.

Foreign exchange in 2013 was a gain of \$96,603 vs a loss of \$1,238 in 2012.

Net assets at the end of 2013 were \$1.1 MMXP. In 2012, they were \$468,178 MXP and the increase was due some important elements. The first one was for some reductions in the operating expenses, and the second one was due loss recovery from 2012.

Enrique also explained the Analysis of Net Assets; he mentioned the Opening Balance, and the Ending Balance. Robert Reyes questioned Enrique Vazquez where the amount of the Operating Surplus is going (269,283 MXP), he answered that in the past it has been placed in the Capital replacement or the Contingency replacement funds. After analyzing both funds, it was decided to put in the Contingency Replacement fund.

MOVED BY Gregory Lee, SECONDED BY Dolores Heisinger THAT the 2013 Audited Financial Statement Report was approved as presented. Motion carried.

2.- New Business:

Marie updated about the Villas project as follows:

Update on Villas Reserve Projects:

- I) **Program the time in each Villa:** Marie commented that the Villas have been blocked and the electronic thermostats will be installed as the availability allows.
- II) **Floor refinishing:** Program in place.
- III) **Purchased 2 Washer & Dryer Set**
- IV) **TVs for the 2nd & 3rd Bedroom:** The inventory has been done, TVs will be replaced as needed.
- V) **Blue-Ray video DVD player:** Marie asked if we will proceed to buy them, as she was not sure if this was approve or not. Robert confirmed this project was not approved.
- VI) **The covers for the dining cushions chairs & lamp shades:** They have been ordered. (Marie Cummings checked these will be operation expenses)
- VII) **The entry light fixture:** A sample has been ordered, waiting to be sent to the Club
- VIII) **Plant pots:** Waiting to be constructed

- IX) **Ceiling fan with light:** Rodrigo (Maintenance) is looking for the best option

Marie informed the Board that the projects will be completed before the high season starts. Robert added some notes about the projects: The entry light fixture will be completed in 3 years as it was confirmed as a 3 year program.(5 per year will be replaced).

Robert questioned that some projects Marie mentioned were not in the reserve list approved by the Owners (dining covers, lamp shades). Marie confirmed and will double check with Chris Blaney, Director Resort Facilities Management for Club Intrawest. (Checked see Item VI)

Gregory Lee added a new business:

- 1) **Method to pay Maintenance Dues:** Credit Card idea was rejected; he suggested exploring another way to pay the dues. Dolores mentioned the new way to pay dues that was sent by email (wire instruction) could be set in her bank account. Enrique informed that a few Owners could use this method; also he informed that using this new method will generate a cost of \$20 USD fee charge. Sandra Ruff said they will look for other methods to pay the dues

3.- Next Meeting:

The tentative date for the next meeting will be Monday November 17th, 2013 at 1 pm standard time.

Termination of the meeting: MOVED BY Dolores Heisinger SECONDED BY Gregory Lee, THAT the Board of Directors meeting be terminated at 2:40 pm Motion carried.