



**CONDOMINIO VILLAS AT CLUB INTRAWEST ZIHUATANEJO, A. C.
June 10th, 2015 VILLAS BOARD OF DIRECTORS MEETING**

In Vancouver, British Columbia, Canada at 11:30 am PST on Friday June 10th, 2015 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), 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 11:31 am. Robert proceeded with the details of the meeting. Participants were introduced by the chair.

Adopt Agenda

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

Notice of Motion:

1.- Review and approve the 2014 Audited Financial Statement

Discussion:

Enrique Vazquez, Club Intrawest Director of Finance Mexico, presented the independent auditor's report regarding the 2014 Villas financial statements issued on May 27, 2015, by Price Waterhouse Coopers, 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, 2014.

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 2014 amount \$4.4 million pesos vs 1.4 million in 2013. Total liabilities show \$2.4 Million in 2014 vs \$314,475 MXP in 2013. The main reasons of such variances are the increase in accounts payable and the increase in cash at year end.

Net assets at December 2014 are \$1.9 million pesos vs \$1.1 million pesos in 2013.

Enrique also explained the Statement of Activities that shows the following. Fees paid by Villa Owners in 2014 were \$9.1 million MXP which was the same amount that in 2013.

Interest gained in 2014 was \$20,331 MXP and \$41,373 MXP in 2013.

Total Operating expenses were \$7.3 million in 2013 and \$7.7 million in 2014. Capital Expenditure was 660,830 MXP in 2014 and 1.2 Million MXP in 2013.

Foreign exchange in 2013 was \$96,603 and \$99,218 in 2014.

Net assets at the beginning of the year were \$1.1 million pesos plus an increase of \$1.3 MXP coming from 2014 dues. The Association also had an increase of \$20,331 MXP coming from interest and expenditures of \$577,598. It also had expenses of \$83,232 MXP and a surplus of \$202,491 MXP.

Enrique also explained the Analysis of Net Assets; he mentioned the Opening Balance (\$1.1 million MXP), and the Closing Balance (\$1.9 million MXP). Enrique asked to the Board of Directors where the Operating Surplus is going (\$202,491 MXP), he mentioned that usually it goes to the Contingency Replacement fund. After analyzing both funds, it was decided to put in the Capital Replacement fund. Loss Recovery of \$13,619 MXP will be sent to Capital Replacement fund.

MOVED BY Dolores Heinsinger, SECONDED BY Robert Reyes THAT the 2014 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 will be blocked to make the yearly maintenance program as availability allows.
- II) **Thermostats:** The electronic thermostats have been installed in some Villas, project on going.
- III) **The entry light fixture:** All have been installed.
- IV) **TVs for the 2nd & 3rd Bedroom:** Some new TVs have been installed; the rest will be changed as needed.
- V) **Bathroom sink replacement:** Marie mentioned that Rodrigo will bring a sample of the new sink replacement.
- VI) **Telephones:** They have been ordered. They will be installed soon.
- VII) **WIFI:** New WIFI, our IT department are in the testing phase, the finalization will happen over the next week
- VIII) **Telephone system:** New telephone system will be installed in the Club

Robert Reyes added a new business:

Villas Maintenance Dues pending: There is one Owner that is delinquent with the payment of their Villas Dues. They have not paid their dues since a year ago. The Board of Directors decided that after 2nd quarters pending to be paid it will be necessary to send a registered letter to the Owner. Owners can not use the Villa if they are behind with the payment of their dues. Formal process for follow up on delinquent dues payment were discussed with the Board. Sandra has suggested that we follow the same procedures that is used for Club Intrawest. The Board agreed to implement a similar process for Villas collections.

3.- Next Meeting:

The next meeting has to be before November 30, 2015. Indira Hernandez will check with Gregory Lee and Dolores Heisinger for the best day and time.

Termination of the meeting: MOVED BY Dolores Heisinger SECONDED BY Robert Reyes, THAT the Board of Directors meeting be terminated at 12:30 pm PST Motion carried.