



**VILLAS AT CLUB INTRAWEST ZIHUATANEJO, A. C.
November 18th, 2010 VILLAS BOARD OF DIRECTORS MEETING**

In Vancouver, British Columbia, Canada at 11:02 a.m. on Thursday November 18th, 2010 at the Offices of the Intrawest Resort Club Group at 326 - 375 Water Street, Vancouver BC.

Present were: Robert Reyes, Enrique Vázquez, Sandra Ruff, Pablo Contreras (vía Telecom), Dolores Heisinger (vía Telecom), Gregory Lee (vía Telecom) & Carlos Irra (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 11:07 am. Robert stated that the required quorum was present and 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 be adopted as presented. Motion carried.

Notice of Motion:

1. Approval of Villas 2011 Budget

- **Review the proposed 2011 budget in coordination with a review of the year to date statements for 2010.**

Discussion:

Enrique Vazquez, Club Intrawest Zihuatanejo Controller, reviewed the proposed 2011 budget giving special attention to those line items that reflect either a 10% increase or decrease from the previous budget.

One item of discussion was the need to increase funding for the Contingency Reserve fund. Unless additional monies are placed into the fund, there a risk that it could be depleted over the next few years based on the projects forecasted for replacement. If this fund is depleted, Owners are in danger of potentially having to pay a special assessment in the future.

Villas Management reviewed and presented two proposals for increasing the budget to cover an increase into the Contingency Reserve Fund. One proposal

called for a 5.1% overall budget increase and another proposal was for a 3.9% increase.

Dolores Heisinger pointed out that in the current economy, it might present a hardship for owners to pay an additional 5.1%. She proposed that the lesser increase of 3.9% be adopted.

MOVED BY Dolores Heisinger, SECONDED BY Gregory Lee THAT the 2011 Budget be approved reflecting a 3.9% increase over the 2010 budget. This figure is well below the inflation index of 5.2 % projected for Mexico in 2011. Motion carried.

A summary of the explaining the significant variances in the budget will accompany the Budget when it is distributed to the owners.

2. Annual General Meeting:

- **Confirmation of date, time and place of the meeting.**

Robert Reyes indicated that it was time again to plan the Annual General Meeting. Robert inquired with Dolores Heisinger and Gregory Lee as to there preference for a meeting date. After discussion, they proposed Monday January 10th at 10 AM. MOVED BY Dolores Heisinger, SECONDED BY Gregory Lee THAT the Annual General Meeting will be held in Vancouver, BC, Canada on Monday January 10th at 10 AM.

Robert also indicated that two Director positions would be up for election to the Board. This would be the positions currently held by Sandra Ruff and Dolores Heisinger.

3. New business:

Review the Homeowner Association (HOA) structure as it relates to consolidation of the Villas. Robert Reyes explained that one item for discussion at the Annual General Meeting will be the HOA structure as it relates to the consolidation of the Villas. Some potential problems will be discussed as well as some possible options for proceeding.

4. Termination of the meeting

MOVED BY Robert Reyes SECONDED BY Gregory Lee THAT, the Board of Directors meeting be terminated at 12:20pm. Motion carried