

**DESERT BREEZES RESORT TIMESHARE OWNERS ASSOCIATION
REGULAR BOARD OF DIRECTORS MEETING
TRADING PLACES INTERNATIONAL**

**THURSDAY, JULY 6, 2017
9:00 AM (PDT)**

MINUTES

I. CALL MEETING TO ORDER

Clarke Schlabach called the meeting to order at 9:04 a.m. (PDT) and introduced all those present. A quorum was present with all board members in attendance. In attendance were:

Board Members

Clarke Schlabach	President
Jacques Peeters	Vice President
Brian Bowcock	Treasurer
John Middleton	Secretary
Dorothy Fazio	Director

Trading Places Representatives

Al Hippe	Resort General Manager
Joanne Hallert	Director of Resort Operations
Nicole De Casas	Administrative Assistant

II. APPROVAL OF AGENDA

A motion was made by Clarke Schlabach to approve the agenda. The motion passed by unanimous affirmative vote.

III. BUDGET REVIEW

A. 2018 Budget Proposal & Recommendation

The board discussed in detail the 2018 budget. A motion was made by Jacques Peeters and seconded by Brian Bowcock to approve a 4% increase in maintenance fees to help increase the association's reserve funding. The motion passed unanimously.

B. Cover Letter, 2018 ABC Policy & Buckslip

Brian Bowcock made a motion to accept the proposed cover letter, 2018 ABC policy and marketing insert. John Middleton seconded the motion and it was approved by unanimous affirmative vote.

The board requested that if the inclusion of the TPI marketing insert with the billing caused an increase in postage costs that TPI pay the difference in postage.

C. ARDA-ROC Donation Letter

A motion was made by Brian Bowcock to accept the ARDA-ROC letter and seconded by Dorothy Fazio. The motion was approved by unanimous affirmative vote.

D. 2017 Audit Engagement Letter

A motion was made by Brian Bowcock and seconded by John Middleton to approve the audit engagement letter from Fitzgerald and Associates, Inc. for the 2017 fiscal year.

IV. BOARD MINUTES

A. April 6, 2017 Meeting Minutes

Brian Bowcock requested that moving forward the minutes include the notation "No action taken" when the board only reviewed an item or report. A motion was made by Dorothy Fazio and seconded by Brian Bowcock to approve the minutes of the April 6, 2017 regular board meeting. The motion passed unanimously.

V. FINANCIAL UPDATES

A. Current Financial Statement

Joanne Hallert presented the financial statements through April 30, 2017. Ms. Hallert pointed out to the board that while there is currently a significant positive variance to budget, the forecast is showing that the association should be very close to budget by year end. This is due to the timing of expenses.

A motion was made by John Middleton and seconded by Brian Bowcock to accept the April 30, 2017 monthly financial reports for filing. The motion was passed by unanimous affirmative vote.

B. Reports

1. Delinquency

The board reviewed the delinquency report. No action was taken.

2. Collections

The board reviewed the collections report. Joanne Hallert noted that Meridian has collected 44% of the amount assigned to them.

3. Occupancy Report

The board reviewed the occupancy report. No action was taken.

4. Deed Back Report

The board reviewed the deed back report. No action was taken.

5. Rental Report

The board reviewed the rental report and Ms. Hallert noted the positive year-over-year numbers. No action was taken.

6. Sales-Great Destinations/HOA Inv

The board reviewed the sales report from Great Destinations. No action was taken.

VI. MANAGEMENT REPORTS

A. Resort Update

Al Hippe reviewed his Manager's Report and answered questions from the board.

B. Action Items

Al Hippe answered questions from the board.

The board requested that management include an article about owner-to-owner sales in the next newsletter and that the season be added to each listing on the website.

A motion was made by Brian Bowcock and seconded by Dorothy Fazio to approve the use of up to \$2,500 out of reserve funds for the decorations to be used on the rest of the 2B units' shelves.

C. Comment Cards

The board reviewed the RCI, II and TPI comment cards. The board requested that management e-mail out all of the comment cards on a quarterly basis instead of adding them into the board packets.

The board was dismissed for a short break at 11:26 a.m.(PDT) and they reconvened at 11:38a.m. (PDT).

D. Board of Directors' Comp Time Report

A motion was made by John Middleton and seconded by Jacques Peeters to change the number of comp nights the Master association representative receives from one night total to one night before the meeting and the night of the meeting equaling two nights total. Joanne Hallert will send out the updated reimbursement policy to the board.

C. Master Association Report

Brian Bowcock reported as a member of the Masters Board. The minutes from the May 5, 2017 Master Association Meeting were reviewed.

The board adjourned for lunch at 12:22 p.m. (PDT). The board meeting was reconvened at 12:45 p.m. (PDT).

VII. OLD BUSINESS

2018 Meeting Calendar

The board reviewed the 2018 meeting dates and changed the July 2018 date to July 19th and 29th for the board and budget meeting, to be held at Desert Breezes.

VIII. NEW BUSINESS

A. Replacement Shower Valves

A motion to approve the bid from Southwest Plumbing payable from reserves was made by John Middleton and seconded by Jacques Peeters. The motion passed unanimously.

B. 2018 Reserve Projects

A motion was made by Brian Bowcock to approve the 2018 reserve projects subject to board approval of the sofa design. The motion was seconded by Dorothy Fazio and passed unanimously.

E. EXECUTIVE SESSION

A motion was made by Clarke Schlabach to enter Executive Session at 1:20 p.m. (PDT).

Executive session was adjourned at 1:31 p.m. (PDT) and regular session was reconvened.

IX. ADJOURNMENT

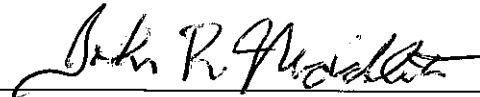
A motion was made to adjourn the regular board meeting at 1:32 p.m. (PDT).

Submitted by:
Trading Places International
Its: Managing Agent

Approved by:
Desert Breezes Resort Timeshare Owners Assoc.



Joanne Hallert
Director of Resort Operations
Trading Places International



John Middleton
Secretary of the Board