

Minutes 1

Asociación Colonos Lomas del Manglar, A.C. General Assembly

Those present Claire Knutson, Dan Schrein, Henry Laxen, John Kading, Kate Schomp, Lori Skoda, Lucila Zuniga Murray, Nadine Laxen, Pat LeBeau, Ruth Kading, Sam LeBeau, Tim Whiting, Wil Wellmer, William Bratton, William Friend

Date June 1, 2010 4:15pm – 5:50pm

List of topics

1.1 Quorum	2
1.2 Proxies	2
1.3 Minutes	2
1.4 Temporary Treasurer	2
1.5 Treasurer’s Report	2
1.6 President’s Report	3
1.6.1 Construction	3
1.6.2 Accounting	3
1.6.3 Banking	3
1.6.4 Water Quality	3
1.6.5 Casas 26 & 27	4
1.6.6 Yard waste	4
1.7 Old Business	4
1.7.1 Water System	4
1.7.2 Gardening	5
1.8 New Business	5

1.8.1	Amendment of the Bylaws	5
1.8.2	Accounting	5
1.8.3	Rosas Payment	6
1.8.4	Membership Requests	6
1.8.5	Water Meter	6
1.9	Adjournment	6

Ruth will act as Temporary Treasurer	2
GA meetings changed to twice annually.	5
Rodolfo to proceed with audit	6
Penalty Taxes to be paid	6

1.1 Quorum

A quorum was established and the meeting was brought to order at 4:15pm

1.2 Proxies

A request for proxies was made, but none were offered.

1.3 Minutes

After a brief discussion, Will made a motion to accept the previous minutes. Seconded by Bill Friend, and approved unanimously.

1.4 Temporary Treasurer

John Kading has resigned as Treasurer. Tim appointed John's wife, Ruth as temporary treasurer until the elections to be held at the next annual meeting in December. Dan moved, Kate seconded, that this appointment be approved and the members unanimously voiced their support for this decision. John's signature will remain on file with the banks.

Decision: Ruth will act as Temporary Treasurer

1.5 Treasurer's Report

Ruth presented the treasurer's report. The total balance in all accounts is currently \$166,760 pesos. The details of the treasurer's report are as follows:

1. The numbers are current as of May 31, excluding bank fees or interest
2. all 2010 dues and water overages have been paid, except for Rosa's and the 2 morosos.

3. The major expenses for fiscal year 2009 are:

March	Cuneta Repair	6124.80
March	Replace wires for water system	1160.00
May	Tree Trimming	7540.00
May	Water Testing	1132.00

Notes: The wiring for the water system had to be replaced because it was stolen. A question about whether we could use aluminum instead was answered by Bill Bratton. The gauge of wire is too small to make aluminum wiring feasible.

Thus far the gardener has billed us for 22 hours for a total of 1100 pesos. Because of the coming rains, this amount is expected to go up in the second half of the year.

Tim moved to accept the treasurer's report. Seconded by Bill Bratton. Carried unanimously.

1.6 President's Report

1.6.1 Construction

Because of several member's questions a review of bylaws as they affected property use and building permits was performed by the board. An advisory was emailed to all members on the findings. Also as a result reviews of plans and site inspections on several properties resulted in the Fracc permitting construction on Danni, Zuniga, and Laxen properties. Deposits were not sought nor were contractors asked to get city permits because of size and character of the construction. Tim's work was deemed a repair of existing structures and therefore did not need an official permit.

1.6.2 Accounting

It is important that all future statements show the year to year carryover as "reserva para gastos extraordinarios"

1.6.3 Banking

Tim reported on the new banking issues that have come up since the rules have changed. He is looking for an inexpensive way to pay our taxes electronically with hacienda. It is possible that Lloyds Investments will also become a bank in August, and Tim is hoping to use them to solve this problem for us.

1.6.4 Water Quality

Tim will distribute the results of the water testing once it becomes available. In the meantime, residents are encouraged to visit <http://www.water-research.net/sulfur.htm> for an explanation of sulfur and water quality.

Wil mentioned that all of his water issues have disappeared since he installed a sand filter at his residence. The cost of such a system is approximately 1000 pesos, and it only needs to be backwashed once a month.

1.6.5 Casas 26 & 27

Tim was approached by Armida Toledo, who demanded that he turn on her water. Tim informed her that she is not entitled to water service by the Frac because she is not current in her dues. He asked that her attorney speak with the Frac attorney in order to resolve the situation. His advice to the other residents is that we also refer her to our attorney should she approach any of us with this complaint.

1.6.6 Yard waste

Roberto believes that the burning of yard waste is not legal. Dan is getting information on a mulch area. The rubbish collection people have told us that they will pick up yard debris provided it is bagged properly. Lori commented that the chain saw is available and in good working condition.

1.7 Old Business

1.7.1 Water System

Tim turned over the floor to John Kading, who reported on the current water situation.

Our water quota for the year is 10,950 cubic meters (cm). Our water usage over the past few years has been:

2005	11,956
2006	10,950
2007	meter malfunction
2008	10,751
2009	10,129

This usage is based on the sum of the readings of the individual water meters located at everyones house. The average for the four years is 10,946. On Nov 11, 2009 the large meter at the well head read 96,894, and on May 11, 2010 the meter reading was 104,567. This means we are on track to use 15,346 cm of water this year, according to the big meter, a 40% overage. In the past the big meter read 100% more than the sum of the individual meters. Part of this reduction can be attributed to the leaks that were fixed last year near casa 9. John believes the 40% discrepancy can be attributed to the big meter measuring the air that is added to the water during the pumping process because of cavitation. John added 48 liters of chlorine to the tank recently, to help keep the bacteria growth under control. We still have six months of chlorine pellets for use. It was six months between the previous and most recent tank cleaning, and John felt that this is too long. The tank was very dirty. He suggested a four month cleaning schedule. Concern was

expressed that the water level may be dropping, but we don't really have a good way of measuring it currently. The Villa Nova frac recently burned out their pump because of dropping water levels, and are now measuring the level regularly to avoid a re-occurrence.

1.7.2 Gardening

John is doing a lot of the maintenance in the common areas because he enjoys doing it. Guillermo is doing all of the weed whacking. We should expect to use Guillermo about three hours per week during the rainy season, for a total cost of about 4500 pesos per year.

1.8 New Business

1.8.1 Amendment of the Bylaws

The text of the changes to the bylaws were distributed two weeks ago, and were now discussed. They boil down to changing the meeting schedule from four times per year to twice per year, once in June and once in December. The details of the changes are as follows:

1. Remove the first sentence of Article V.1 and replace it with: **There will be two regular General Assembly meetings per year. The first will be in one of the first two weeks of June, and the second, to be known as the annual general assembly, will be in one of the first two weeks in December.**
2. Article V.10.10, replace November with **December**
3. Article IV.2 replace annual 4th quarter(November) with **December**

Wil moved and Lori seconded that the bylaws be thus changed. Passed unanimously.

Decision: GA meetings changed to twice annually.

Henry volunteered to suggest revisions to the current bylaws to make them more consistent and up to date. Bill Friend agreed to help with this effort. They will review and revise the bylaws, and present their changes to a future board meeting with an eye to voting on them in December.

The members decided to postpone discussion of the new notification requirements until a future meeting. Perhaps in conjunction with the revisions that will be put forward by Bill and Henry.

1.8.2 Accounting

Tim explained at length the history of our accounting experiences. In short, our old accountant, Silvina, no longer wishes to continue as our accountant. After seeking suitable replacements, Tim and John found Rodolfo Rivera. Our 2009 annual report

still needs to be filed with Hacienda. Rodolfo estimates that we owe approximately \$14,000 pesos in unpaid IVA taxes (at a 30% penalty instead of the 15% we would have paid at the time of purchases). We can pay the tax or ignore it. If reviewed and caught, we'd owe the tax, interest, and a penalty. If we decide to pay the tax, Rodolfo will need to do a full review of our 2009 accounts, since he did not originally file them. The cost of the review will be \$5000 pesos. Upon investigation, Ruth came up with about \$45,000 in non factura receipts, which mostly accounts for the 14,000 penalty. Henry moved that we proceed with the transition to Rodolfo, pay his fee and whatever taxes we owe as a result of his investigation as soon as possible. Will seconded, and it was approved unanimously.

Decision: Rodolfo to proceed with audit

Decision: Penalty Taxes to be paid

1.8.3 Rosas Payment

Dan warned that Rosas lack of payment (should he default) should be taken into account in the current budget.

1.8.4 Membership Requests

It was also mentioned that current bylaws seem to indicate that by paying dues and using services, even once, one automatically becomes a member. It is unclear however if this is legally binding. It was the sense of the meeting that this issue also could be reviewed by the bylaw revision committee with possible recommendations to the board for articles to be presented at the GA. Dan suggested that an official letter be drafted and signed by all existing homeowners, requesting that they be members of Asociación Colonos Lomas del Manglar, A.C. in order to avoid future legal problems.

1.8.5 Water Meter

Someone suggested that we remove the water meter from the well, since its readings are inaccurate. Someone else stated that the our agreement with the CNA requires us to have this meter present.

1.9 Adjournment

Meeting adjourned at 5:50 pm.