

## **2004 July Ordinary Meeting Minutes**

At 12:20 p.m. on July 17, 2004 in La Cruz de Huanacastle, Municipality of Bahía de Banderas, Nayarit, location of CONDOMINIUM LA PUNTILLA; the condominium owners and/or their representatives that appear on the attendance list that forms a part of this act, met, with the purpose of holding the General Ordinary Meeting of Condominium Owners of Condominium La Puntilla, on the first call to order, according to the Interior By Laws, having made said call to order under the terms of the Law and that which is set forth in the interior By Laws of the Condominium.

Continuing act, the President, Secretary and Scrutinizers of the meeting were designated, Mrs. Cherie Sibley acted as the President of the meeting and designated as Secretary of the meeting Ms. Lydia Dobyns and following that, Mrs. Dru Davies and Jerry Martinson were designated as the scrutinizers, and they performed their tasks by taking the attendance list for which representation of 83% of the voting interests of the Condominium were present, with units 8A, 4B and 9B not represented and unit 1B not represented nor eligible, the above results from the information contained on the attendance list and which shall accompany the act which contains the resolutions made in the meeting.

The scrutinizers communicated and certified the existence of a legal quorum according to the By Laws, indicating that according to the dispositions cited in the By Laws and in the law in effect, a legal quorum exists on the first call to order in order to hold the present meeting, they indicated this fact to the President of the meeting who declared that on the second call to order the General Meeting of Condominium Owners of Condominium La Puntilla was legally called to order on the first call to order.

A continuing act, and according to the Call to Order for the meeting, the President proposed that the meeting be subject to the following:

### **ORDER OF THE DAY**

1. Attendance list and accreditation of ownership rights of the homeowners or the exhibition and delivery of the letters of proxy of those representing the homeowners at the meeting.
2. Designation of the president, secretary and the scrutinizers and of the legal quorum.
3. Presentation of the general state of affairs of THE CONDOMINIUM made by the President and Administrator of the same, for the period of time understood since the constitution of THE CONDOMINIUM until the present date and in time the approval of the acts and motions realized by the administrator of the same.
4. Presentation of the financial statements of the association for the period January through June of 2004, discussion and in succession approval of the same.
5. Designation of a delegate to the Assembly to appear before the public official of his choice to formally register the agreements that may be taken.

6. Recording and in succession, approval of the minutes of the meeting which contains agreements taken in the points that are referred to in the Agenda.

### **DEBATE ON THE ORDER OF THE DAY**

**POINT ONE.** - *Attendance list and accreditation of ownership rights of the homeowners or the exhibition and delivery of the letters of proxy of those representing the homeowners at the meeting.*

In the debate regarding the first point of the Order of the Day, once each and every proxy letter issued by the Trust Institutions that hold the trust rights with respect to some of the private units were analyzed, the same which were issued in favor of their beneficiaries, which letters shall be attached to the present meeting minutes. At the same time since all those arriving to the meeting registered their names on the attendance list that was prepared at the calling to order of the meeting, the attendance of the condominium owners was ratified and as a continuing act the scrutinizers certify that based upon the registers of the condominium and especially the official register of the condominium owners registered with the administration of the condominium, in the present meeting there are 15 condominium owners present or represented, and 4 condominium owners absent, as a result that is a legal quorum of 83% of the interests of the Condominium represented, for which according to the Interior By Laws of the Condominium, a legal quorum existed to make and approve the resolutions in the present meeting making these resolutions obligatory for all of the condominium owners, either present or dissident according to the Interior By Laws of the Condominium, with the prior being adopted, the President had the first point debated with the unanimous approval of the condominium owners present.

**POINT TWO.** - *Designation of the president, secretary and the scrutinizers and of the legal quorum.*

By virtue of the fact that this point was verified according to the approval of 100% of the attendees with the right to vote at the beginning of the meeting, the President determined that this point had been discussed.

**POINT THREE.**- *Presentation of the general state of affairs of THE CONDOMINIUM made by the President and Administrator of the same, for the period of time understood since the constitution of THE CONDOMINIUM until the present date and in time the approval of the acts and motions realized by the administrator of the same.*

Following this Cherie Sibley, as Administrator of the Condominium, presented to the meeting a general report and summary on the administration to date a copy of which is attached to the present act, and welcomed any questions. , with respect to the acts and gestures that the administrator made on behalf of the condominium, delivering said report in writing which shall be attached to the minutes of this meeting and which was explained to all present, and whereby many questions were raised by the condominium owners which were then clarified by the presenter of said report.

Dru Davies commented, for informational purposes, that they had changed from Seguros Commerical America to Seguros Tepeyac originally due to problems with claims. Mr. Francisco Moreno requested a copy of the policy and asked what it covered. Jerry Martinson made a comment with respect to the security policy listed as number #18 on the summary and Mr. Joe Witten commented with regards to point #8, the tree cutting or trimming in the common areas by owners that is not allowed and shall only be approved by the administration.

As a continuous act, with prior analysis and discussion on the report, a motion was made by Mr. Jerry Martinson and seconded by Mr. Doug Davies, and by unanimous vote the condominium owners adopted the following:

### **RESOLUTION**

**SOLE.-** That the general report on the administration of the condominium is approved which was presented by Ms. Cherie Sibley who is the Administrator of the Condominium.

**POINT FOUR.** - *Presentation of the financial statements of the association for the period January through June of 2004, discussion and in succession approval of the same.*

Following this Cherie Sibley, as Administrator of the Condominium, presented to the meeting the financial statements for the period January 1, 2004 through June 30, 2004, a copy of which is attached to this act, and made the following observations. The amount of \$58,000 pesos has been taken out of the reserve in order to complete urgent work with regards to the sea wall. During the regular August VC meeting that is scheduled for August 20, 2004, the VC members will be conducting a careful reanalysis of the budget in order to finish the year with only a \$21,000 peso deficit, including the \$58,000 already taken out of the reserve. There was discussion on budget items that were higher than expected, including, legal fees, as mentioned by Doug Davies and repairs to the water treatment plant and certain employee liquidations. It was also said that that a revised budget should be a priority. There was also mention of budget items that were lower and the there had been savings made in certain areas, most notably the elimination of the on site supervisor salary. Without including the expense for the repair to the seawall, there is currently a \$77,091.23 shortfall which Cherie Sibley believed will be recovered by the end of the year.

The condominium owners analyzed the statements in detail, a motion was made by Ms. Lydia Dobyns and seconded by Mr. Jerry Martinson and by unanimous vote the condominium owners adopted the following:

### **RESOLUTION**

**SOLE.-** That the financial statements for the period January 2004 through June, 2004 are hereby approved.

**POINT FIVE.** - *Designation of a delegate to the Assembly to appear before the public official of his choice to formally register the agreements that may be taken.*

Once the prior point was debated, the President inquired if there was no further business and proceeded with point five on the Order of the day and proposed to designate Cherie Sibley as delegate from the meeting to go before the public notary to formalize the resolutions and minutes adopted in the meeting.

The condominium owners, voting unanimously, approved the following:

### **RESOLUTION**

**SOLE.** That Cherie Sibley be designated as the delegate from the meeting to go before the public notary to formalize the resolutions and minutes adopted in the meeting and to have the same registered in the Public Commercial and Property Registry.

**POINT SIX.** - *Recording and in succession approval of the act that contains the agreements taken in the points that are referred to in the Agenda.*

In conclusion, the President suspended the meeting for the time necessary to redact the minutes of the resolutions taken at the meeting and in the same manner the President confirmed the correctness of the minutes taken by the Secretary of the meeting regarding the resolutions adopted and the number of votes.

Once this was done, the President declared that the meeting was over and specified the number of condominium owners present that would represent a unanimous vote. The meeting was adjourned at 12:50 pm and that said minutes were ready in English and Spanish to those attending.

Condominium Number	Name of Representative
A1	Lydia Dobyms
A2	Lydia Dobyms
A3	Jerry Martinson
A4	Jerry Martinson
A5	Lydia Dobyms
A6	Douglas Davies
A7	Michelle Willner de Cruz
A8	<b>NOT REPRESENTED</b>
A9	Jerry Martinson
A10	Judy Rae Dell' Aira
B1	<b>NOT ELIGIBLE</b>
B2	Francisco Moreno
B3	Michelle Willner de Cruz
B4	<b>NOT REPRESENTED</b>
B5	Drusilla Davies
B6	John Whitten
B7	Drusilla Davies
B8	Douglas Davies
B9	<b>NOT REPRESENTED</b>