



La Puntilla Condominium Association
La Cruz de Huanacastle, Nayarit 63732
Mexico

Minutes - March Board Meeting
May 21, 2004 Friday, 11:00 AM
(Central Standard Time – “Jalisco Time”)
Thomas USA Residence – Thomas hosted conference call

Board Member Present at La Puntilla: none.

Board Members via Conference Call: Lydia Dobyns; Jim Rosenwinkel; Erin Strench; Pam Thomas; Amy Welch.

Guests Present via Conference Call: None

Board Members Absent: None

Administrator and Staff: Cherie Sibley and Armando Bravo from their office in Puerto Vallarta.

Being a quorum, the meeting was called to order at 11:37 AM by President Erin Strench. Thomas hosted the conference call. Welch took minutes. No call from 11:45-12 PM, while Thomas attempted to contact Sibley on another telephone line.

Pam Thomas moved and Erin Strench seconded that the April 23, 2004 minutes be approved.

PASS: 5 YES, 0 NO.

Administrator’s Report (attached report) – Cherie Sibley:

Insurance – Presently the association’s insurance is through Lloyd’s. Sibley will forward a copy of the new policy through ING Commercial America - flooding and earthquake coverage is at 90% with 10% deductible. The Federal Zone is exempt from coverage. Sibley to forward copy of policy to homeowners.

Pam Thomas moved and Lydia Dobyns seconded that we purchase insurance for \$1,511.15 USD through ING Commercial America.

PASS: 5 YES, 0 NO.

Beachfront Changes – Cherie Sibley:

Sibley contacted attorney Maria O’Connor regarding the Federal Beach concession. O’Connor reported that there is no Federal Beach concession for any neighboring associations, including Vallarta Gardens, Punta Pelicanos and La Puntilla. Whether or not there is a concession, the Federal Zone taxes are paid. Presently the taxes are 22,000 pesos annually, approximately 1,503 pesos per year per homeowner.

Bylaw Review – George Thomas:

If anyone wishes to suggest bylaw changes, please give to Thomas no later than June 18, 2004.

Site Supervisor’s Report (attached copy) – Armando Bravo:

General cleaning and landscape maintenance of the La Puntilla common area was reviewed. A new garbage service was hired. The new company gives a factura which includes a 15% IVA tax.

Upon request, Sibley will forward one pedestrian beach key to each homeowner in “good standing.” “Good standing” is interpreted as being members whose dues are current. Owners need to contact Sibley to request a key. Cost is 100 pesos for said key. The “truck door” can be accessed via a key from the security guard.

On-going discussion took place regarding LP gardeners, the board concurred with the April minutes to release staff as necessary. Sibley will hire Juan Pastor, for approx. \$1,000 pesos a month plus factura, for a 2-month trial to supervise the gardeners. If this arrangement works, Pastor may be asked to take on La Puntilla as regular account.

Delinquent Accounts:

Unpaid Dues: 10% interest penalty (Bylaw Article 84)

1 B \$ 138,117.82 p
2 B 18,935.81 p
4 B 44,814.47 p
10 A 1,512.78 p

Vandermaas (8B) made dues payment to Lloyd's (our past bank account); he now realizes that payments are due to HSBC.

Pam Thomas moved and Amy Welch seconded that the interest penalty for Vandermaas be removed because of error in Vandermaas giving the dues to Lloyds instead of HSBC.

PASS: 4 YES, 0 NO, 1 ABSTAIN (Strench).

Lydia Dobyms moved and Jim Rosenwinkel seconded authorizing our property administrator to demand full payment within 30-days and use Nayarit and La Puntilla bylaws to the fullest extent of the law to collect all past due monies owed. If necessary, an extraordinary meeting will be held to vote on this directive.

PASS: 5 YES, 0 NO.

Third Quarter Maintenance Dues:

The Third Quarter Maintenance Dues are owed July 1, 2004 and considered late July 17, 2004. The amount owed is \$15,600 less the 1st and 2nd quarter rebate of \$1,488 = **\$14, 112.**

Assessment – Cherie Sibley:

The original assessment was for \$11,172 pesos per unit in April 2003, for seawall, and palapa in the field by "B" street. The assessment did not include beachfront sprinkler repair and re-seeding the beachfront – therefore the assessment will not be used for this project. \$4,500 pesos was collected, with the remaining balance of \$5,586 pesos due June 1, 2004, and is considered late by July 1, 2004.

Seawall – Cherie Sibley:

50,000 pesos (approx. \$5,000 USD) has been budgeted for the "seawall." This includes a site supervisor, backhoe and time, worker benefits – to bury the present boulders. Strench indicated that the boulders do not officially constitute a seawall, therefore a permit is not necessary.

Bookkeeping – Cherie Sibley:

Sibley purchased a new Quicken "Small Business" accounting system, but there are still problems with the reconciliation. Amy Welch offered to re-do the books at no cost to the association, so that they reconcile. Strench, Dobyms and Rosenwinkel opposed Welch re-doing the books, as it is the Property Manager's responsibility to ensure completeness and compliance.

The Finance Committee, CPAs George Thomas and Bill Welch, have reviewed the books and note that there are on-going discrepancies with the books. Strench requested a report in writing from both Welch and Thomas as to what discrepancies are, so that they can be addressed.

Water Treatment Plant - Cherie Sibley:

Thomas and Strench specifically wanted it noted in the minutes to thank Dave Hibbard for his diagram and work on the treatment plant. The plant was pumped and seems to be working without adding bacterial enzymes as the bacteria still appears to be present on the walls of the waste treatment tank. Presently the treatment plant runs 24 hours a day and no problems with the plant have been noted. There was a cost of \$17,000 pesos to clean out the treatment plant. The next scheduled clean out is October 1, 2004 (once every 6 months).

Lydia Dobyms moved and Pam Thomas seconded to place the water treatment plant on a regular 6-month clean out. This will now be a dedicated expense.

PASS: 5 YES, 0 NO.

Hibbard requests that a second larger grinding pump be purchased. No purchase at this time. Tabled for discussion until June meeting.

Potable Water to Homes – Cherie Sibley:

Sibley noted that there has been uneven water distribution to all homes. Thomas asked Bravo if he is switching the lines daily? Bravo indicated that he is following the instructions provided by the previous property manager, but there has been issues with the water company providing a continuous supply of water.

Beachfront sprinklers and Grass seed – Cherie Sibley:

Sibley will email the bids to the Board by Mon, May 24, 2004.

Landscape Report – Pam Thomas:

Thomas indicated that she has problems with Pedro/Alejandra and Arte Verde following-through with their common-area park plan and bid. Any plan will be presented for vote at the July Extraordinary Meeting. Thomas requested to conference call between Sibley and Alejandra and Bravo next week.

Several areas of La Puntilla are under landscaping construction and will be completed soon. Landscaping the sewer plant area was our biggest project and is nearly completed. Thomas and the landscape committee are still working with Arte Verde on several projects. The palapa at the guard gate was completed. Landscaping that area will soon follow.

Equipment Purchases and Well by guardhouse – Armando Bravo

Bravo is again requested to provide a lid for the well by guardhouse, this is of concern should a child fall into the well. The April minutes reflect that Strench directed Bravo to purchase and install reinforced rebar to cover the well. The well should support the weight of a 50-70 lbs child.

Waterline – Cherie Sibley

The waterline has been relocated at the cost of \$18,100 pesos to LP. The April minutes reflect that. “The main water line into La Puntilla crosses private property in a vacant lot located near the strip mall at the entrance to La Puntilla from the main road. ...The property’s owner now requests that the water line be removed from his property or that payment be made to the property owner.”

Web Site – Erin Strench

Welch will continue to design and maintain a secure web site for La Puntilla. The site should be in a working state by the June meeting and virtually completed by the July meeting. Welch requested if homeowners are interested in having their home featured on the home page, to please forward her photos to wjwelchpc@comcast.net

Future Board meeting dates and January 2005 annual meeting date:

Monthly Meetings: 3rd Friday of month, 11 AM Jalisco time.

June 17 (date change, rescheduled from June 18)

July 17 (date change, rescheduled from July 16)

Aug 20 Sept 17 Oct 15 Nov 19 Dec 17 Jan 21

Fri, July 17 Extraordinary Meeting (Semi-Annual) please note date change

2005 Annual Meeting: Sat, January 29, 2005

Pam Thomas moved and Amy Welch seconded that the May 21, 2004 Meeting adjourn at 2:15 PM (CST).

PASS: 5 YES, 0 NO.

The next La Puntilla board meeting will be held at 11:00 AM on Thursday, June 17, 2004, via conference call. Pam Thomas will initiate the call.

