



INFORMATIONAL MEETING

FEBRUARY 20th, 2010

1. BOARD UPDATE

By-Laws: At the last annual meeting we revised the by-laws and they have now been prepared in English and Spanish and will soon be recorded with the proper authorities of the Mexican Government and will become our official by-laws. Based on that, the election for the different Boards of Directors of the La Jolla HOA and CA I and CA II will be as follows. The opening that are presently being filled by Bill Shurtleff, Ken Kimble, and Ray Robertson will be for a term of two years on all three Boards. The positions now being filled by Jerry Kurrle and Henry Novell will be for a term of one year on the La Jolla HOA Board only. Both Jerry and Henry have one more year to serve on the C.A.I and C.A. II Boards. At the 2011 annual meeting, the only two positions that will be up for election will be Henry's and Jerry's and that will be for a term of two years. At that point we will be on schedule to comply with all by-laws.

Law Suits: La Jolla HOA has filed two law suits. One is against Playa del Sol for the non-payment of maintenance fees and other obligations they have to the operation of the La Jolla Regime. This suit has been filed and we expect to go to Court for Trial with the next six to twelve months. We expect to win the trial and then the Judge will order P.D.S. to pay and if they can't then we will be awarded one of their Condo's to settle their obligations. We will then proceed to sell the unit. The Other law suit is against the owners of unit G-307. It is for the violation of our rules for not allowing pets in the condos. Also we have been assessing a fine of \$100.00 per day for the violation. The suit requests the removal of the animal from the unit and the paying of the fine. The suit has been filed and we expect to go to court with the next six to twelve months. If we win the suit then the owners will be required to remove the animal and pay the fines.

We have spent approximately \$9,337.18 for both law suits. We have also asked for our attorney's fees to be awarded if we win.

Beach Concession: The Beach concession in front of the G building is still pending. But we are told that we should have it any day. In the mean time we continue to check on it regularly. The wheels of Government turn very slowly some times.

Painting of the Buildings: We will continue to paint the Buildings of La Jolla in Peach tones but not necessarily the same color.

2. FINANCIAL UPDATE & SUMMER PROJECTS

We received the audit from our Mexican Accounting firm, GOSSLER. It reflected approximately the same amount for 2009 as the handout at the November meeting. The projected budget for 2010 still looks good three months later. Security will be approximately \$14,000 more for 2010 than projected due to the increased patrols and gate manning.

The delinquents' dues are about \$84,000 of which about \$20,000 will be collected prior to March 1st and \$10,000 for the sale of one of the delinquent units which will close 2-24-10. We presently have two liens on two delinquencies and law suits pending. Compared to last year at this time the exposed delinquent dues are down about \$25,000. All but \$20,000 are on 12 units which are for sale.

We have sufficient reserves to cover the **painting of E & F buildings** and the **roof tiling of building C**. These projects will begin on **May 31st** along with the regrouting of C-D-E swimming the pool (a one week project), the replacement of the cracked terrace and window sills and the ocean wall crowns and the replacement of the water line for the dirt parking lot to building C.

3. INSURANCE

The Board renewed our Insurance policy for 2010. The total paid was \$79,547.66 dollars, saving \$8,000 compared from the bid from last year. The Board will continue to look for ways to lower our premium and will present them at the November's meeting.

4. SECURITY

By the end of last summer, the HOA was granted with permission from the Transportation Office to control the access to La Jolla. Because of that, the Board decided to hire "SEGURIDAD OPTIMA", which is a private security company that at this time is providing us two guards for a 12 hours shift each. One of them is controlling the gate starting 6:30 am to 6:30 pm and the second one continues at the gate from 6:30 pm to 11:00 pm. The rest of the time he is patrolling Cluster I parking lots. This is helping our guards in a big way, because they now focus basically on our common areas and are more available to homeowners.

Every job needs to have constant training, and Security is not the exception. The Board has decided to provide training and English classes to each of our security guards. These two measures will improve their performance and will help owners to communicate better with them.

Economy is down all over the world. Thieves breaking into houses sound more familiar as time goes by. The HOA asks you to be proactive and help our security team by locking your condos and cars. We haven't had any incidents at our development but it is always better to look ahead, right? Thanks in advance for your cooperation!

5. INTERNET SERVICE

Four years ago, one of our homeowners helped on the installation of the internet network intended to provide the service around the pool area. As time passes by, more people is using our internet service and the connection is getting really slow. Because of this situation, the Board is checking on different options to improve the system, which range from \$800 to \$6,000. The different quotes received involve getting new access points, antennas, etc. The system will be improved, so please expect changes pretty soon!

6. LANDSCAPING

Our grounds are looking good! Tereso and his crew have been doing a great job, but there are some pending things to be done during this summer. Please stay tuned and wait for surprises!

The upper lot will be upgraded to make it more secure. Our staff will do a deep cleaning, trimming the overgrown hedge and removing all the unused items. Also, we will have someone installing razor wire around it and repairing the bended parts of the fence.

6. FIDEICOMISOS AND FM2/FM3 UPDATES

The Board thought that it would be useful to have more information about the fideicomisos and the steps needed to get the FM3/FM2 migratory document. Pedro Perichart and Eduardo Chavez came to our meeting to give a brief presentation about these two topics. They provided some handouts which I'm attaching in a separate file.