

**Condominium La Jolla Cluster I  
Annual Ordinary Homeowners Assembly  
November 5<sup>th</sup>, 2011**

The Annual Ordinary Homeowners Assembly is held at the Arroyo Seco area in La Jolla.

First call is made at 7:30 AM, and the required quorum of 90% is not met; second call is made at 8:00 AM, and the required quorum of 51% is not met. Third and final call is made at 8:30 AM and the attendance is of 45.90% of the units.

**Attendants are welcomed and the process for the conduction of the meeting was explained.**

**AGENDA**

**I. OPENING**

- **Registration of Homeowners or proxies.**

Homeowners and proxies registered upon arrival and the quorum obtained for this assembly meeting is 45.90%.

- **Election of Chairman of the Assembly**

Bill Shurtleff E208 is nominated and appointed as Chairman of the Assembly.

- **Election of Tellers**

Larry Evenson and Cliff Rock are nominated and appointed as Tellers of the Assembly.

- **The Manager will act as Secretary (Bylaws, Art.65). She shall appoint the person who will take the official minutes.**

Ileana Ceseña as Manager appoints Patricia Valdes to be the person who will take the official minutes.

- **Introduction of the Board of Directors and the Manager.**

The Chairman introduced the members of the Board

- **Homeowners' Approval of last year's Minutes.**

The chairman made a motion to approve last year's minutes. Motion made by Jerry Kurrle (F-309) and seconded by Emma Vargo (G-207). Unanimously carried.

- **Approval of the Agenda.**

The chairman made a motion to approve the Agenda of this meeting. Motion seconded and carried.

**II. OFFICERS REPORTS**

- **Announcements**

Ileana introduced the staff currently working for the HOA and the homeowners thank for their great job.

Ray Robertson informed there is a notary at the US Consulate. There is a \$50 dollars fee to get something notarized. There is one Consulate office in Cabo and one in Palmilla. They are open from 9 to 2. They have full service operation.

- **Manager's Report.**

Ileana Ceseña informed about the projects that were done during the summer season, which are as follows:

E building roofing

Water fountains around the common areas

Tile installation on G Building steps

Concrete caps on window sills and patios. Ileana asked the homeowners to inform her about any cracks around the areas in order to repair them.

Surrounding wall for propane tank

Replacement of ledge on Arroyo Seco

Street and sidewalks painting

Landscaping improvements

Scrubbing and polishing of walkways around the pool

Pathlights. During the first phase of this job 77 lights were installed around the pool and Arroyo Seco.

- **Insurance Report**

It is being considered to change the insurance into an individual basis instead of buildings.

- **Board of Directors Report and Approval by the Assembly of all actions taken by the Board of Directors from Nov. 6<sup>th</sup>, 2010 to November 4<sup>th</sup>, 2011**

Bill Shurtleff E208 thanked Henry Novell for his efforts as a member of the Board of Directors. Henry is not running for next year.

Next, Bill Shurtleff gave a report of the activities of the Board of Directors and several items were discussed, such as:

Currently, Bel Air is not going to build on the dirt lot. The manager has been very helpful, but the hotel has not paid their pending fees yet.

Emma Vargo, G207 asked if Bel Air is going to comply with the architectural image of La Jolla. Bill Shurtleff said the painting is subject to interpretation and the building complies with them. The new building wasn't hooked to the carcamo.

Bel Air stated they want to be out of the treated water line; they want to water the landscaping with city water.

Delinquencies are the major goal of this year. PDS has paid for the pending common areas expenses but is still delinquent on the maintenance fees for the four units owned on I Building. It has been mentioned that they have a possible buyer, but that the transaction won't a purchase. Basically they plan to transfer the units to their attorney, who has been approached by La Jolla's attorney in regards the pending fees & late charges. It was also mentioned that there is a lien on the I-113 studio.

The Board was asked about the status of the lawsuit of unit G307. Bill Shurtleff informed the judge has not ruled about this situation. The cost of the lawsuit is around \$50,000 pesos. If the judgment is against the association there is no other cost to be paid other than the legal cost.

New development on the top. According to the master condominium, they are entitled to hook up to the carcamo. Upgrades might have to be made and the committees are working on who is going to pay for that. It was stated that Cluster I wants to keep the control of the carcamo.

Emma Vargo, G207 moved to approve the Board of Directors report and all actions taken by the Board of Directors from Nov. 6<sup>th</sup>, 2010 to November 4<sup>th</sup>, 2011. Seconded by Linda Evenson E-303. Motion carried unanimously.

- **Finance Report by the Treasurer and approval by the Assembly of the 2012 budget & assessments.**

Ken Kimble D-307 went over the financial report and compared the 2010 projected budget to the actual expenditures. Roofing and lighting projects depleted the reserve fund.

The reserve fund of 25% is required by the Mexican law.

The dues for 2012 will be as follows:

Studios \$1189.31 dollars per semester  
1 Bedroom \$1706.94 dollars per semester  
2 Bedroom \$2514.05 dollars per semester  
Penthouse \$5758.87 dollars per semester

The fees are established according to the square meters of each unit.

Currently, the board is working with three delinquent homeowners to collect the dues.

Pool heating decrease was analyzed and it was determined it is not feasible due to the way the pool is used. This was voted under new business items and the motion failed.

Propane issue was discussed. There was a suggestion to have the pool at 84 degrees to cut the cost of propane. Gary Bailey C302 proposed to have a solar system to subsidize the cost.

Ken Kimble informed no reserve was considered because the homeowners want to save some monies in this economy.

Jim Hedges D-201 moved to approve the 2012 budget and assessments. Seconded by Ema Vargo G-207. Motion passed unanimously.

### **III. NEW BUSINESS**

- **Open Forum Discussion**

Condo fees to be lowered. Bill Shurtleff informed that at some point I Building has to be re-roofed on the CI area and explained that the budget presented considered only operational expenses. The

Board expects to lower the delinquency rate and be able to make the improvements needed once that money is recovered.

Mark Kellerman F 207 makes a motion to have the pool at 82 degrees for next year. Seconded by David Bowman F102. Emma Vargo, F211 asked the attendants to think about people who uses the pool for medical reasons and that temperature is not hot enough. Homeowners discussed the matter. 66% votes against. Motion failed.

Glenda Ducharme G-106 moves to get the Board to look into different options to have pool covers. Motion failed.

Bathroom by the pool area: The estimated cost is around \$5,000 dollars; the item was discussed and submitted to voting. 59% against it; motion failed.

Construction of bridge on the Arroyo Seco area (replacing the current steps in front of F building). Ray Robertson informed this project is a walkway rather than a bridge and is in order to have a smooth connection between both sides of the steps. He informed no vote will be taken, just wanted a consensus and the majority agreed to it.

The improvement of wireless internet system around G building was discussed. It was informed that upgrades have been made in order to improve the signal and that the coverage is intended to work around the pool areas. However, it was suggested to get a private Prodigy internet system if a better service was needed; the HOA office volunteered to help on the paperwork needed to get the service.

Improvement of the TV signal on D&G buildings. Two new amplifiers were purchased and will be installed in the next week. That will solve the issue.

- **Approval of Next Year's Administrator**

Civil Association 2 is proposed to act as Administrator. Motion moved by Emma Vargo, F211; seconded by Gene Stockwell F301. Motion carried unanimously.

- **Report of the Nominating Committee**

Ardene Janssen informed that two members of the Board of Directors needed to be elected. The members to be replaced are:

Henry Novell  
Jerry Kurrle

- **Election of members to constitute the new HOA Board of Directors**

The Nominating Committee proposal is:

Margaret Hedges

Jerry Kurrle accepted to serve for another year.

The election to a two year term on the La Jolla H.O.A. Board was held and the winners by acclamation were Margaret Hedges and Jerry Kurrle.

#### **IV. CLOSING**

- **Selection of the date for the next annual Assembly Meeting.**

November 3<sup>th</sup>, 2012 is proposed as the date for next Annual Assembly Meeting, as well as for the Civil Association 1 and Civil Association 2. Motion seconded and passed.

- **Adjournment**

Meeting is adjourned at 10:40 a.m.

**V. ANNUAL MEETING CIVIL ASSOCIATION I**

Election of the Board – Two members of the Boards term were up, Henry Novell and Jerry Kurrle. Margaret Hedges replaces Henry Novell and Jerry Kurrle accepted to serve for another year. Motion seconded and passed.

Meeting is adjourned at 10:45 a.m.

**VI. ANNUAL MEETING CIVIL ASSOCIATION II**

Election of the Board – Two members of the Boards term were up, Henry Novell and Jerry Kurrle. Margaret Hedges replaces Henry Novell and Jerry Kurrle accepted to serve for another year. Motion seconded and passed.

Meeting is adjourned at 10:50 a.m.

**CHAIRMAN**

Billy Keith Shurtleff

**SECRETARY**

Ileana Ceseña Garcia Formentí

**TELLERS**

Larry Martin Evenson

Clifford Arthur Rock