

MINUTES - September 17, 2019
BOARD OF DIRECTORS REGULAR MEETING
Asociaciòn de Colonos del Fraccionamiento Chula Vista de Chapala A.C.

I. **Call to Order:** 10:02a.m. There is a quorum. Werner and Louise were moved up to be voting members.

II. **Attendance:**

Present:

Officers: Mike Lemmo , Michael Kavanaugh
Christine L'Ecluse

Directors: David Salyers, Billy Brown

Alternates: Werner Zuecher, Louise Morel

Guests: None

Absent:

Officers: Ian Lambert

Directors: Victor Gonzalez

Alternates: Joe de Leon, Keith Russell, Gary Blauer

Comisario Allan Flaa

III. **MOTION:** to approve Board of Directors meeting Minutes of: **August 20, 2019**

Moved: Michael Kavanaugh

Minutes approved.

IV. **Treasurer's report** – prepared by Ian Lambert

a. Treasurer's Report for August 2019 attached to these Minutes.

b. Summary of significant items:

- i. Maintenance expense are favorably ahead of the budget amounts.
- ii. Well repairs are higher than anticipated due to critical repairs needed.
- iii. Garbage collection and dumping are slightly higher than budgeted.
- iv. Legal fees are higher than budgeted.
- v. Collection of accounts lower than expected.

MOTION: to accept the August 2019 Treasurer's Report

Moved: Michael Kavanaugh

Motion approved.

V. **President's Report** – presented by Mike Lemmo

a. Chula Vista Country Club. They seem to be in an administrative mess. They have agreed to pay their unpaid fees of 103,000 MXN to the Association as follows:

- i. Half (51,500 MXN) immediately and the remainder in three payments.
- ii. If they follow this plan, they will not have to pay the 30,000 MXN interest.

b. Chapala Rules and Regulations. The Association has received a copy of the State of Jalisco Rules & Regulations, but not Chapala's. Mike Lemmo has pursued getting a copy of Chapala's Rules since December 2018.

c. Preparation for the 2020 AGM is needed.

- i. Committee reports are needed.
- ii. Names of potential Board members as well as a nominating committee are needed.

MOTION: Michael Kavanaugh is nominated to be chair of the nominating committee.

Moved: Christine L'Ecluse

Motion approved.



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VI. Committee Reports:

- a. Water – presented by Mike Lemmo
 - i. Tanks 1, 2, 3 have been cleaned and repaired. Last year there were no cracks but this year all the tanks had cracks.
 - ii. Pump and wiring at tanks 1&2 must be repaired. The cost is 50,000 MXN.
 - iii. Possible new well site. Well #1 may have a short life. The Board is investigating a possible site for a new well. Aspects of a new well site:
 - Lic. Brenan is checking the Association R&R's to see if it is possible for the Association to purchase land for a new well site.
 - A technician must be hired to find water on a new site.
 - 2,000,000 MXN is needed to build a new well.
- b. Security, Streets and Lighting – presented by Mike Lemmo
 - i. There was a break-in on Calloe Jardines
 - ii. CFE has been installing new wires.
- c. Neighborhood Relations – presented by Christine L'Ecluse
 - i. The website, www.chulavista-lakeside.com, has been updated.
 - ii. We have not had reports of dog problems.
- d. Zoning & Building – presented by Dave Salyers
 - i. Chain link & razor wire issues
 - Steven Cross will be issued a fine for having razor wire on his fence.
 - ii. Rojas building permit – Arq. Arellano seems almost ready to follow the requirements of the building committee.
 - iii. Brad Grieves has not yet submitted a report for the Poots/Pelayo retaining wall.
- ACTION:** Brad Grieves will be asked to submit his report by September 30.
- e. Environment – presented by Werner Zuercher
 - i. A dangerous tree was cut down.
 - ii. Estimates to remove the big eucalyptus tree at the Pickering home will be solicited. A neighbor has offered to defray the cost of the tree removal.

VII. Unfinished Business/ Previous Motions and Actions

- a. Updating the maintenance manual for the water system is in progress.
- b. The website, www.chulavista-lakeside.com, has been updated
- c. The casita committee has been evaluating the situation.

VIII. New business

- a. Guests - none
- b. Next Board Meeting – scheduled for October 15, 2019

VIII. Adjourn: 11:24 a.m.

Submitted by: Christine L'Ecluse, Secretary



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TREASURER'S REPORT – SEPTEMBER 2019

Year-to-date (YTD) Budget versus Actual

YTD	Budget	Actual	Variance
Water Income Received	\$ 1,357,383	\$ 1,453,607	\$ 96,224
Water Expenses	\$ 1,202,873	\$ 1,236,266	\$ -33,393
Maintenance Income Received	\$ 2,145,460	\$ 2,575,754	\$ 430,294
Maintenance Expenses	\$ 1,921,694	\$ 1,557,999	\$ 363,965
Total Net Income	\$ 378,006	\$ 1,235,096	\$ 857,090

Third quarter water billings were \$285,633, similar to the same quarter of the previous year of \$230,258, but reflecting the rate increase. As the weather has started to warm up, water consumption is on the rise for Q4 2019.

Maintenance Income is mostly received in the early portion of the year, but the budget figure is spread over 12 months, so the YTD variance is not relevant. A better measure is the 2019 total budgeted maintenance of \$2,043,471 versus the actual members billing for the 2019 year of \$2,168,903. The 2019 total budgeted special assessment of \$510,868 versus the actual special assessment billing for the 2019 year of \$541,957.

Total Maintenance Expenses are tracking favorably ahead of budget, with significant expense variances for water and maintenance noted below.

Significant Item Variances

YTD	Budget	Actual	Variance
Well Repairs	\$ 138,000	\$ 232,314	\$ -94,314
Electricity for Water Pumps	\$ 387,417	\$ 366,494	\$ 20,923
Reserve Water repairs	\$ 75,000	\$ 94,966	\$ -19,966
Garbage Collection & Dumping Fees	\$ 492,231	\$ 508,059	\$ -15,828
Legal Fees	\$ 147,000	\$ 236,927	\$ -89,927

Garbag
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collection costs have risen due to higher fuel prices and significantly higher dump fees, which will continue to vary depending on volume and fuel prices. Legal fees are higher due to catching up on prior year obligations. Necessary well repairs have exceeded the original budget, but were critical.

CASH

Cash on hand	\$1,430,028
Less construction deposits	\$207,000
Less other deposits	\$1,826
Available working capital	\$1,400,096

Collection of accounts has fallen behind expectations. We are sending notices to delinquent accounts requiring them to make arrangements. Four homes have had their water reduced.

Submitted by Ian Lambert

Treasurer