

MINUTES - April 16, 2019
BOARD OF DIRECTORS REGULAR MEETING
Asociaciòn de Colonos del Fraccionamiento Chula Vista de Chapala A.C.

I. Call to Order: 10:00 a.m., A quorum was present.

II. Attendance:

Present:

Officers: Mike Lemmo, Ian Lambert,
Christine L'Ecluse, Michael Kavanaugh
Directors: David Salyers, Billy Brown,
Victor Gonzalez

Alternates: Werner Zuercher, Louise Morel

Comisario Allan Flaa

Absent:

Alternates: Keith Russell, Joe de Leon,
Gary Blauer
Guests: Tom Yurista, Teri Ames

III. Vote to approve Board of Directors meeting Minutes of: March 19, 2019

Moved: Ian Lambert

Minutes approved.

IV. Treasurer's Report – presented by Ian Lambert

a. Review of financial information for March 2019

i. No significant variances

ii. Legal fees are spread over 12 months with one bill carried forward from 2018
iii. Most of the colonos' money is in Multiva earning 6%

b. "Morosos" – Non- or slow payers

i. Ian is trying to deal with Jose Alvarez and Mr. Reyes

ii. Re: Jorge Witte – Chula Vista has written to Simapa to have Simapa enforce the reduction of water to a trickle. We are waiting to see what happens with Simapa.

Ian presented additional information that Chapala does not use the fact of nonpayment water and colonos fees to support the penalty of reduction of water.

iii. Ian will go through the accounts at the end of April to see who needs a letter reminding them to pay their accounts.

MOTION: The Board approves the Treasurer's Report.

Move: Billy Brown

Approved.

V. President's Report – presented by Mike Lemmo

a. SIMAPA will shut off water as stated in the concession agreement that gives Chula Vista control of its water supply.

b. Another letter was sent to Jorge Witte. Mr. Witte owes 40,620p. He has paid 16,000p into an unidentified court. Lic. Brennan has said that SIMAPA must adhere to Chula Vista's demand to trickle the water for non-payment of fees.

c. Lancaster property on Prolongaciòn: Hernandez and Lloyd's Realties have the listing. Chula Vista cannot deny access to the roads, but we can deny water. Access from the Libramiento is poor. The property is sub-dividable per Chapala. The future of this property is not known at this point.

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d. A new lawsuit has been filed by Rick Feldmann accusing Sr. Julio Blanco of fraud.

MOTION: Any copy of documents required to be supplied by the Chula Vista office will be charged to the recipient at the same cost per page as charged by the Chapala government.
Moved: Ian Lambert

Approved.

VI. Committee Reports:

- a. Water – presented by Mike Lemmo
 - i. Well #2 electric meter repaired. We will need to monitor the meter because it is 440v.
- b. Security, Streets and Lighting – presented by Mike Lemmo
Nothing to report
- c. Neighborhood Relations – presented by Mike Lemmo and Christine L'Ecluse
 - i. We need to establish a procedure for hearings before imposing fines.
 - ii. Our rules and regulations need to be updated.
 - iii. Recent conflicts have involved dogs, views

MOTION: The Board will call participants in conflict to a meeting to mediate a solution within 2 weeks of a complaint being made. If no solution is found, the Board will apply the existing penalties.

Moved: Christine L'Ecluse

Approved.

- d. Zoning & Building – presented by Dave Sayers
 - i. Jorge Witte – see Treasurer's Report, IV b, ii.
 - ii. Razor wire/chain link:
 - Chain link fencing on Steven Cross's home – Mr. Cross has not responded to a letter written by Dave Sayers. Mr. Cross maintains his contractor was given permission by someone in the Chula Vista office to install the fencing.
 - Hochuli residence has taken down their chain link fence.
 - A new fence has been put up at the corner of Paseo Jacarandas and Paseo de las Peñas.
 - Noted – the prohibition against chain link and barbed wire is not new. The 2012 R&Rs prohibited farm fencing and barbed wire.
 - iii. Rojas permit: After many months, many meetings, and numerous written communications, Arq. Arellano still has not complied with the requests from the Z&B committee.

- e. Environment – presented by Mike Lemmo
Nothing to report


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VII. Unfinished Business/ Previous Motions and Actions

a. Water Maintenance Manual – Mike and Billy will get together to write the manual.

b. Mr. Pelayo will be instructed to build his retaining wall after we receive specifications from the engineer.

ACTION: Dave will contact Eng. Brad Grieve to make a new evaluation of the slope and need for a retaining wall.

c. Web site – We must update the agreement regarding webmaster services with Gavo.

VIII. New business

a. Guests: Teri Ames, Tom Yurista

i. Ms. Ames expressed her concern about the following:

- The status of the Rules & Regulations and Bylaws - She feels that the Spanish versions are not legally enforceable and that her property rights are not protected. She suggested that Chula Vista is not being proactive and the Board may be subject to a lawsuit from her.
- Various board members replied:
 - Chula Vista has attempted since December to get an updated copy of Chapala's construction guidelines from Mr. Rivas of the Chapala Planning Department.
 - We need the guidelines before updating our R&Rs.
 - Since changing our R&Rs requires a special General Meeting, we must adhere to our fiduciary responsibility to the community and make the necessary and legal preparations before calling a special General Meeting.
 - The Chula Vista Board is very aware of and concerned by any infraction of the R&Rs, particularly those concerning views and construction.
 - A board member volunteered to go to Chapala with her.
 - If Mr. Rivas does not respond, we will see the Mayor of Chapala.

ii. Tom Yurista expressed his concern regarding his neighbors on de las Peñas spraying their yard with chemicals. While the chemicals are not toxic to some animals and humans, they are toxic to other animals. Tom feels he should have been informed that chemicals were going to be sprayed.

b. We held a moment of remembrance for former Board Member, Mark Boyer.
c. Next Board Meeting – scheduled for May 21, 2019 at 10:00 a.m.

VII. Adjourn: 11:23 a.m.

Submitted by: Christine L'Ecluse, Secretary



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TREASURER'S REPORT – APRIL 2019

Year-to-date (YTD) Budget versus Actual

| YTD | Budget | Actual | Variance |
|-----------------------------|------------|--------------|--------------|
| Water Income Received | \$ 603,281 | \$ 639,278 | \$ 35,997 |
| Water Expenses | \$ 534,610 | \$ 406,847 | \$ 127,763 |
| | | | |
| Maintenance Income Received | \$ 953,538 | \$ 2,114,351 | \$ 1,222,538 |
| Maintenance Expenses | \$ 854,206 | \$ 778,776 | \$ 75,430 |
| | | | |
| Total Net Income | \$ 168,003 | \$ 1,586,006 | \$ 1,400,003 |

First quarter water billings were \$553,376, similar to the same quarter of the previous year of \$454,934, but reflecting the rate increase. As the weather has started to warm up, water consumption is on the rise for Q2 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 |
|-----------------------------------|------------|------------|-------------|
| Equipment Repairs | \$ 16,000 | \$ 19,842 | \$ - 3,842 |
| Garbage Collection & Dumping Fees | \$ 218,769 | \$ 233,406 | \$ -14,637 |
| Legal Fees | \$ 65,334 | \$ 111,095 | \$ - 45,761 |

Garbage 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.

CASH

| | |
|----------------------------|-------------|
| Cash on hand | \$1,907,705 |
| Less construction deposits | \$211,000 |
| Less other deposits | \$1,826 |
| Available working capital | \$1,694,879 |

Collection of accounts is much improved over last year at this time. Only a very few are still not cooperating, and we are dealing with these on a case by case basis.

Submitted by Ian Lambert

Treasurer