

Colonos La Hacienda San Felipe, A.C.

MINUTES OF GENERAL ASSEMBLY

FEBRUARY 17, 2018

ORDER OF THE DAY:

The General Assembly was brought to order at 11:05 a.m. by President Marjorie Ann Carlin (Annie Carlin). Board members present were: Vice President Lauralee Chambers, Secretary Adrianna Burnett, Treasurer Calvin Chambers, and Alternate member Ana Martinez. A membership count was taken, and 18 members were present. This did not constitute a quorum, so according to the By-Laws, a fifteen-minute waiting period was instituted.

At 11:20 a.m. a second count was taken. Eighteen (18) members were present. President Carlin welcomed all attendees. Voting cards were given to 14 members in good standing. Veronica Johnson and Dana Merritt were appointed as observers for the meeting.

The 2017 general assembly minutes were read by Secretary Adrianna Burnett. Annie Carlin made a motion to approve the minutes as read, Lauralee Chambers seconded the motion. They were approved unanimously.

Mr. Emiliano Echeverria, our Financial Sheriff and accountant, gave a report. He stated that there have been changes and new laws in every agency in Mexico and reminded the board that, due to new regulations, it is vital to get a factura or formal invoice for all services and products purchased by the board. In addition, every expense of the Board must be backed up by an electronic debit out of the HOA bank account. A receipt is not sufficient documentation of an expense. To be a justified expense, the provider must be a registered taxpayer. If the provider cannot provide a factura there is an informal salary category we can use as long as the provider is not a subordinate of the HOA. To use the informal salary category, the HOA must pay the taxes on that expense. The percentage of tax depends on the amount paid. For example, on a payment of 50,000 pesos in one month the tax would be 30%, a payment of 20,000 pesos in one month would be approximately 16%. The informal salary category

requires a 90-day binding contract. We need to be aware that the government doesn't honor binding contracts if there is a labor dispute.

If expenses are not justified by a factura or a binding contract and the expense doesn't show as a debit to the HOA bank account it cannot be deducted from the HOA income. The HOA would show a larger balance than it has. At which time the HOA is dissolved the HOA would have to pay the government the difference between what the books show as a balance and the actual balance.

The 2017 Financial Performance Report was given by Treasurer Calvin Chambers. This included information on the Board's activities for 2017, including inspection of the 6 fire hydrants located in La Hacienda by the Fire Department. Three of the hydrants were leaking and had to be turned off. The curb next to the hydrants were painted red. A copy of the 2017 Financial Performance Report was provided to each attendee.

A presentation of the 2018 budget was given by Treasurer Calvin Chambers, with an explanation of the new Work Breakdown Structure (WBS) format that includes a couple of new categories. A copy of the 2018 Work Breakdown Structure and 2018 Budget by WBS Element was provided to each attendee. Members asked questions about the budget, and Treasurer Calvin Chambers answered all questions.

Treasurer Calvin Chambers asked for a vote on the 2018 budget. A motion to accept the budget was made by Annie Carlin, seconded by Lauralee Chambers; the vote was unanimous in the affirmative.

Administrative Sheriff, Adrianna Burnett, gave a short report stating that we are using the Notario in San Felipe to generate our ACTA's and provide advice. We are following our By-Laws. In addition, we consult with Attorney Carmen Nunez for advice on other legal issues.

New Business:

Lauralee Chambers made a report on Security Reporting. She suggested to residents that if they notice anything unusual at neighbor's homes or hear an alarm going off that they report to the neighbor, alarm company or the police. We need to help each other keep the community safe.

Lauralee Chambers gave each attendee a copy of an Emergency Contact List which lists the general emergency number, as well as Police, Ambulance, Fire and Security Company phone numbers. This list will also be posted on the bulletin board at the entrance gate.

Old Business:

Adrianna Burnett reported that the HOA is now registered with La Hacienda (Mexico's income tax agency).

Calvin Chambers reported that the paperwork required by the bank to reopen the dollar account has been provided to the bank manager. Board members will transfer signature authority to the current Board as soon as all Board members are available.

Adrianna Burnett reported that translation of By-Laws and CC&R's is still in progress with Ana Luisa Tafoya at Yet Mail.

Open Forum:

Attendees asked questions and made suggestions.

Annie Carlin made a motion to adjourn the meeting, seconded by Lauralee Chambers. The meeting was adjourned at 1:02 p.m.

Submitted by Secretary Adrianna Burnett