



Playa de Oro Neighbors Association AC
 United Property Owners of Playa de Oro
 San Felipe, BC Mexico

PMB 217 P.O. Box 9011 Calexico, CA 92232

Minutes for October 1, 2016
HOA BOD Quarterly Meeting

Location: Playa de Oro Lower Pool Palapa
 Call to order: 9:00am

Attendees: BOD Members - Wayne Arnesen, Chris Cox, Paul Easley, Jon Zimmerman, Greg Tiwald, and Sharon Rhodes. Absent – Greg McKinney

HOA Members - Mike & Donna Tompkins, John & Melanie Forchelli, George McClellan, Rich & Joyce Lawrence, Arne Romero, Pam Swanson, Jerry and Helene Yates, Carol Keller

Meeting called to order by President Wayne Arnesen at 9:00 am. President Arnesen welcomed members and reminded members that quarterly board meetings are held in accordance with bylaws and members may attend as listening members only. Carol Keller still has some directories that have not been picked up. Future updates will be sent via email.

Future board meetings are scheduled for November 26, 2016 and dates are pending for March and May 2017.

Motion to Approve June 26, 2016 minutes – Motion made (Rhodes/Easley); Ayes 6

Financial Reports

- Accounting and banking update
 We are still working on having a complete set of general ledger reports. We have good working income and expense reports.

We now have open and operating bank accounts at Bancomer (both peso and dollar accounts.) We have online access to the accounts and Chris has been able to do transfers to pay local expenses (PMD, Baja Battery.) We still cannot deposit US checks in our Bancomer account. That will be available in May 2017, assuming rules do not change again. We do have a checking account at a Washington Credit Union and are able to deposit US checks to that account. We then transfer once a month to our Bancomer account.

Bank Balances as of 8/31/16

Bancomer –	Peso converts to	\$ 6,905
	Dollar Account balance	\$ 1,667
Credit Union		\$39,478
PayPal	Peso converts to	\$ 53
	Dollar	\$ 6,227
Deposits in Transit		<u>\$ 2,187</u>
Total (rounded)		<u>\$56,517</u>

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We should receive another \$3,000 to \$4,000 in dues in the 4th quarter.

- Approve Monthly Financial Reports (May through August)

August financial statements were reviewed. Previous monthly reports were emailed to the board and posted to the HOA website. Wayne explained that our financial statements include an adjustment for foreign exchange (loss and gain) and to date, that has been working in our financial favor. Expenses are down from forecast and netting out to an approximate \$10,000 reduction from the forecast.

We still have some work to do to get our electronic signature opened with Hacienda and are waiting for an appointment with them to finalize this.

2017 Budget will be updated soon. Discussion needs to be had on heating the hot tub and the impact of that decision on the budget projection. We had been paying \$500 per month on propane prior to shutting it down in May 2016. If we spend money to buy a new heating system, we could recover the costs over 2 years. We are also looking at government or private loans to do this.

Greg T had questions on financial reports specific to legal, consulting and accounting. He wanted to know if we are paying twice for services. Wayne explained that we have a separate contract for accounting (\$250 per month) and a contract for the transition of the bank accounts, legal processes and working with the Mexican government. The consulting and legal fees next year should be much less. Greg asked where we would get money to pay bills that are more than we project. We have received more in arrears dues than originally projected.

Chris called for motion – Motion made (Rhodes/Easley) – Ayes 6

- Accounts Receivable Report

Committee Reports

- Pool Committee (Paul)

The pool committee (Paul, Melanie Forchelli and Carol Keller) has been communicating and a list of immediate needs was developed. New signage (no glass, no lifeguards and rules) has been ordered.

Some of the solar lights are no longer working. Paul will get together with Don Koontz to find out where the old ones were purchased to determine a cost.

There is a motion light that probably should be on a dusk to dawn timer. It's on the stairway by the restroom and from a safety perspective it should be on all the time.

The entrance gates need to have closing and/or locking mechanisms.

They are developing a list of duties for the pool maintenance person. There needs to be a daily checklist since it does not appear that what is on the list now is being done. The tables and chairs are filthy and have not been cleaned in quite a while.

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Pool light was burned out and Paul brought down a new LED light. That is why the lights in the pool are different colors. To replace the remaining incandescent lights with LED will be about \$400 each (compared to \$250 each) so we need to start making the transition slowly.

People are interested in extending the use of the lap pool (in the fall and spring.) Pool covers seem to be the most efficient way to do that. The cost would be slightly higher than \$500. A 16 mil cover can increase the temp of the pool a max of 18 degrees. A cover can extend the season about a month on each end of the season. The biggest problem is managing the removal and replacement of the cover daily. It probably should be done on a time basis.

Input was received by audience members. In the future, members will be reminded that the meeting is closed to their input.

Discussion was held on the type of material necessary. The board was asked vote on allowing the expense. The consensus was that it was a necessary expense. Jon expressed a concern regarding funding and felt that it is that is too late in the season to do any good. Jon suggested they be purchased in the spring. Paul concurred. No vote was taken.

Paul indicated that he is excited about the potential of being able to heat the pools with green technology so we are able to use the pools year round with costs that potentially would be less than what we are spending now. Jon indicated that he would be willing to spend money to heat the owners' pool but not the public pool.

The pool committee asked the board to provide the membership with email access to the committee.

Pool committee is also working with Oscar on painting the waterfall and pump buildings.

- Maintenance Committee (Paul)

Included in the Pool Committee

- Architectural Review Committee (Jon)

Some building plans were recently received and the committee did not approve them. They were not submitted in accordance with the CCR's (number of copies, pictures, colors selected, datum line.)

- Social Committee (Sharon)

Nothing to report

- Security Committee (Greg McKinney)

Greg McKinney did not provide a report. Rogelio was in attendance to update the board. There is a committee of the campos north of town and the Ejido, the policia, the Marina and the federales. Gabriela, Scott and Rogelio have been attending meetings. There is

an increased presence of policia in the northern campos. Rogelio has indicated that the presence has had an impact on the security; banditos and workers are seeing this. One specific officer (Jose Luis) has been assigned to the area and he is in truck 0192.

Sharon asked Rogelio if the procedures that were put in place at the beginning of the summer (clearing workers through Parkstrong) are working and he said yes. Rogelio reminded us that work on properties is supposed to stop at 5:00 and some workers are working later. Scott will be asked to enforce this.

Greg T asked who is giving the workers the badges. He asked if we are doing background checks and vetting the employees. He was told that it is not the responsibility of the HOA or PMD to vet the employees. That is the responsibility of the contractor (or owner.) Our responsibility extends to registering the employee's identification with PMD so we know who is in or out in the event of problems. It is the property owner's responsibility to ensure that rules are followed and they know who is working on their house.

Guards do not have permission to access any homeowner's property. If you want them to be able to access your property, owners need to notify Scott giving approval.

Greg T asked how patrolling will be conducted. Paul asked how long it takes the policia to respond. Rogelio indicated that it can take up to 30 minutes but with the new "stationing" in the Ejido, the response is much quicker.

Sharon filled us in on the thermal night vision devices and belts/spray that she purchased. The devices are about the size of an iPhone and the range is the length of a football field.

Rogelio shared that the security vehicles are nearing the end of their lives. The truck is burning gas and the Suzuki engine is burning oil. The clutches are also problematic.

Rogelio asked that owners please turn exterior lights on and be sure that windows are locked/secured. He said that there are televisions that can be programmed to turn on and off at different times and we also put in light timers.

New Business

Discussion on Arrears Dues and Collection/Quit Claim Process

Edgar has been providing us with monthly arrears reports. Chris has gone through the list, comparing to the prior HOA lists and verified accuracy. In addition, Chris met with Bruce Parkman over the summer to determine the viability of some of the seriously arrears owners and found that several owners are deceased (4) and 7 of the arrears owners properties have been repossessed by the lenders. The receivables will be updated to reflect these unrecoverable debts.

The board had email discussion about creating an incentive to the arrears owners. An MOU was drafted and mailed to 35 arrears owners offering to hold their arrears balance in suspense for 3 years providing they pay current (2016) dues in full by October 1, 2016. Further, their future dues for 2017 and 2018 must be paid in full and on time. The arrears dues WILL NOT be forgiven but the plan is to allow them to get back on track and work out a plan to retire that debt.

We received 1 response and the owner has signed the agreement.

As far as the quit claim deed process, nothing was updated. Greg T was to do research on this and Scott has not been available.

Discussion on Resort fee

In response to Owners asking that the Board try to come up with new revenue ideas, the concept of a Resort fee was floated. PDO is one of the few Developments that does not do this. This fee would be paid by short term renters. It would not be onerous. The funds collected would be used to offset the damage that is sometimes done to roads and pool area by folks that have no regard for our policies and rules.

Sharon will have a formal presentation prepared for vote at the November 26, 2016 meeting.

Communication From and Between Board Members

Greg T asked that if a question is asked from one board member to another, they receive a reply. In several situations, Greg asked questions (via email) of the group and did not receive a response from anyone.

Chris stated that along the lines of communication between the board, any communication between board members should stay among the board. We need to be able to discuss things electronically as a group and recently she had to deflect some statements made by a renter that were not true. They were part of a discussion email between board members and included some confidential non-HOA information (the negotiations between PMD and a prospective restaurant tenant) that we were asked to keep to ourselves. Email discussions between board members are not meant to be shared with non-board members. We need to be diligent about having discussion electronically, we make decisions publicly. Sharon stated just because we are having a discussion, doesn't mean that's what we are going to do. Further, this person is a renter and as such is not able to attend HOA meetings. For the renter to have been given confidential information that could have caused a problem for the parties involved in the negotiation is a perceived violation of good board behavior.

Community Meetings with Policia – Report from PMD – Covered by the security committee report.

Motion to Approve Change of Security Guard Uniforms

The board has been meeting with security (PMD included) frequently so we are all in the same loop for issues. One item that has developed from those meetings is the desire to have the guards dressed more “professionally” instead of T-shirts. We talked about a button-down shirt with a sewn on emblem and a Dickies type pant. The costs would be about \$800 for 2 pants and 2 shirts. We have a contribution of \$350 toward that cost. The guards have been asked to contribute financially to that cost and will pay 20% of the cost, bringing it to \$300. We will also have jackets and 2 seasonally appropriate shirts. If a guard leaves, they can keep the shirt but we will remove the emblem. We talked about the color of the pants and decided that a dark tan is probably the best. The expectation

is that the guards will come to work neat, clean and keep their uniforms in good repair. If not, the guard should be held accountable by PMD.

Called for a motion to approve – Motion made (Arnesen/Cox) Ayes 4 (Easley and Zimmerman left meeting.)

Complaint Received From Resident (lighting)

Member Pam Swanson asked to address the board regarding exterior lighting and the light intrusion to her home. Jon indicated that the CCR's do not address exterior lighting. Security is an issue and most people have bright lighting as a preventative measure. The homeowner has been contacted and they have taken some steps (turned off 2 lights) to help the situation.

This is not an isolated situation. There are several other houses. Due to lack of rules on this situation, the only thing we can do is have the owners talk to each other. In the meantime, CCR's will have to be re-written and voted on.

Jon Zimmerman said that as PDO grows the light footprint will be an issue. Jon will research and bring recommendations to the Nov Meeting. He also suggested that the board send an email to all owners saying lighting will be an issue in the future.

Planning for the Future

Mission Statement

Board Goals and Objectives

No discussion held

Old Business

Protocol for Enforcing CCR's

Sharon reported that there have been quite a few various complaints re violations. Most Owner comments have been very positive about the effort and feel that enforcement is long past due. Emails from the BOD will be going out shortly to Owners and Long Term Renters notifying them of violations. They will be given 30 days to comply. Fines of \$25 per Quarter will be levied after 30 days. Sharon has completed the ongoing email communication to owners regarding CCR violations. She provided a list of complaints she has received. They included:

- Vehicles parked on lots
- Laundry hanging in public view
- Dogs off leash
- Dogs barking (nuisance)
- Animals over limits in CC
- Garbage
- Barrel stored on someone's lot

The board cannot pick and choose what they will and won't enforce. Previous rule violations (speeding by a renter) were handled by sending a letter to the property owner who then dealt with the tenant. We need to identify people in violation a letter and request compliance. For example, a renter has a jet ski trailer parked on a lot in

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violation. Greg T stated he already talked to the renter about the trailer and he is going to move it.

Greg T questioned rules regarding parking on lots. Sharon re-read the rules to Greg. Further discussion was held about intent of language.

The board receives complaints so we need to request compliance for each violation noted. The board will send an email to the violator and the owner of the property in question. Compliance will be requested in 30 days.

Wayne indicated that we have a history of dealing with these issues successfully and by a minimum of problems and we should not create a cumbersome process going forward. Complaints about violations should be sent to the board via email or letter. Wayne also recommended that the property manager handle enforcement. It was agreed by Sharon and Greg T.

Report/Ratification of Action Taken Between Board Meetings

Report-Board had discussion (via email July 15, 2016) on the possibility of honoring the guards request to provide a security tower at the south east part of the development. The tower was in place at San Rafael and the cost to the HOA would be the labor to move and set up the tower. It was agreed by 5 board members to proceed with the request. The tower has been moved and the HOA is waiting for painting and repair work to be completed.

Ratification (July 26, 2016 Action)-Board agreed 6 AYES, 1 non-respondent (via email vote) to proceed with previously prepared Memorandum of Understanding (MOU) with arrears dues owners. A copy of the MOU is included.

Ratification (July 29, 2016 Action)-Board agreed 6 AYES, 1 NO (via email vote) to proceed with drafting a Memorandum of Understanding (MOU) with La Vaquita Restaurant to allow access to the upper pool area, on a 3 month trial basis. A copy of the MOU is included. The MOU was not executed.

Next Meeting Date: November 26, 2016

Motion to adjourn – Rhodes/Cox; Ayes 4. Meeting adjourned at 11:38.

Minutes prepared by Christine Cox, Secretary

Approved by:

Wayne Arnesen, President