



February 26, 2010

Hola Marina Sol Owners!

Your Board of Directors (BOD) is pleased to provide this brief summary of the recent activities at Marina Sol. We welcome your comments and questions.

Board Meetings: The BOD met as scheduled on Saturday, January 30th in the MSHOA office. With the exception of Bart Cuomo and Claire Griffith who both had previous commitments, all members of the BOD and the Vigilance Committee (VC) were present. Also in attendance were owners Leticia Tolosa Rendon and Sidney Smith, plus Dinah Briggs. Highlights of the various meeting topics are reviewed below. Please remember that BOD meetings are open and owners are encouraged to attend.

Financial: To eliminate exchange related issues, financial statements will be generated in pesos, not dollars. Preliminary year end operating statements show a surplus of \$257,819 pesos (\$23,438 USD at 11 to one) for 2009. These figures may be subject to some minor year-end adjustments. Final statements will be presented at the General Assembly (GA) meeting in May.

MSHA Office: The Board has restructured office duties in an attempt to improve efficiency. The intent is to free Aurelio of day-to-day administrative duties allowing him to focus on property maintenance. Lucia Fregoso has been promoted to Administrative Manager. She is now responsible for primary interaction with homeowners and all office related duties to include accounts receivable/payable, correspondence, bank reconciliations, payroll preparation, BOD/VC FM3's, and GA/BOD meeting preparations. Aurelio will continue to provide primary supervision of all MSHOA employees. Both Aurelio and Lucia now report directly to the BOD.

2010 Budget: The final budget approved by the GA in November set total fees billed to owners at \$.2955 per foot per month, a reduction of \$.0513 or 14.8% from the previous year. As noted in the Ballot Detail of the packet sent to owners, the final proposed operating budget (Draft 12B) was presented at the GA meeting. That draft was based on October 31 year-to-date actual operating costs in pesos (most recent available at the time) and incorporated a 4% inflation factor, freezing employee compensation, a 25% reduction in water costs (due to pool/water treatment projects), creation of an Employee Retirement Fund to cover mandatory taxes/fees for departing employees and completion of the TV cable upgrade. Fees to cover these operating costs equate to \$.2862 per foot per month. The GA also approved one of the two option items on the ballot, an assessment to complete the courtyard sidewalks at \$.0093 per foot per month

(\$20,000 USD) bringing total fees to the \$.2955 noted above. Copies of the approved budget are available by contacting any Board member or the MSHOA office.

Collections: The BOD has initiated more aggressive collection methods of unpaid fees. TV service has been cut to units with past due balances and water will also soon be disconnected. These measures have proven effective as four units with '09 past due balances have paid or made payment arrangements.

Pool/Water Treatment Projects: As previously noted, the water treatment system and pool repair projects are finished. Prior to renovation, the pool was losing as much as six inches of water per day (about 1,000 gallons). That loss has been eliminated; the recurring perimeter tile problems resolved; all electrical/lights replaced and new filtration/circulation systems installed. As a result of these two projects, the BOD projected a 25% reduction in water costs for 2010. There will be a presentation and discussion on the types of pool water (chlorine or salt) and the costs/benefits of each at the May GA meeting.

Sidewalks/New Gate: Large equipment needed for the pool/water treatment projects necessitated complete removal of the gate/fencing between buildings "A" and "B". At the November 12th meeting, the Board approved installation of the replacement gate system and sloped concrete (to prevent water intrusion from the street). At the November GA meeting, additional funds were approved to replace the existing courtyard sidewalks with wider, curvilinear stamped concrete. Only existing sidewalks will be replaced. The upgraded walks will match the new pool deck and allow two people to pass in opposite directions. Additionally, conduit for security and TV cable will be laid. To minimize the impact on owners and guests, sidewalks are being replaced in sections. Director Jim Waldie was donating his time to supervise this project from it's onset in December with original completion scheduled for early February. However, emergency water line replacement (see below) has delayed completion of the sidewalks until the end of February. These two labor intense jobs have required significantly more of Jim's time. As a result, the BOD recently authorized payment of \$2,000 per month to him for supervision during February and March only.

Emergency Water Line Repairs: A major underground leak erupted in the water main for the "D" building in December. Water is an expensive resource in Cabo. Finding and repairing the break necessitated cutting the concrete floors of the "D" building garages. It appears that a similar fix will also be required for the "B" and "C" buildings. This is an expensive, time consuming job. As noted above, Director Jim Waldie is overseeing the work to insure proper repairs.

Security: Last May the BOD appointed Kim Jones, John Pinkerman and Jim Sclafani to serve on the new Security Committee. Many thanks to all three for the hours of time and research they contributed. Several of the recommendations in their report have been implemented while costs on others are being researched. It's clear after the recent meetings however that we still have a long way to go. Recently implemented changes in the office will allow Aurelio to focus his time on property maintenance and

security. He has a mandate from the Board to improve security which includes a guard present in the lobby from 9:00 PM until 4:00 AM seven days per week; no exceptions. If you should return to Marina Sol during these hours and do NOT see a guard present, please contact a Board member with the specific date and time. The BOD is taking this matter very seriously and will make personnel changes if required.

"A" Building Garage: The Security Committee determined that several key cards for the garage doors were held by unauthorized people. To resolve this problem, all of the existing key cards have been deactivated. New cards will be numbered, logged and issued to owners only. An additional card reader has been installed inside to control the exit door as well. These changes should help improve security and reduce unauthorized use of the garage. Replacement cards for owners are available in the MSHOA office.

Spring Break: In preparation for spring break, the BOD instructed Lucia to obtain bids from outside security companies to supplement MSHOA security during the month of March.

Landscaping: The BOD received a petition signed by several owners expressing concern over the loss of flowers and plants in the courtyard. The BOD understands and agrees with the concerns expressed. The intent is to replace the flowers and plants once the courtyard projects are complete.

Paint: Buildings "B" and "C" plus the street side of "D" have been painted thanks to additional funds realized from currency exchange gains. The BOD will continue to move this project forward as funds are available. The committee appointed to select colors includes Board member Jim Waldie, VC members Clint Suveges and Claire Griffith, plus Dinah Briggs and Leticia Rendon.

Web Site: To enhance communication and improve information availability, a new web site, [www.marinasolhoa.com](http://www.marinasolhoa.com), has been created. It is much faster and easier to navigate than the old site (to be retired soon). Newsletters plus information for future board and general assembly meetings will be posted there. Photos, minutes from previous meetings and other historical information will be added as time allows. Please visit the new site and give us your thoughts.

New Email Addresses: Communicating with the Board, Vigilance Committee and managers will now be much easier through the use of new email addresses created in conjunction with the new web site. Individual addresses are listed below. To send an email to the entire board, simply address it to, [board@marinasolhoa.com](mailto:board@marinasolhoa.com); to the Vigilance Committee, use [vigilance@marinasolhoa.com](mailto:vigilance@marinasolhoa.com); and the managers at [manager@marinasolhoa.com](mailto:manager@marinasolhoa.com).

Owner Information: To save money and time, the BOD intends to use the new web site and email to deliver information and documents. For this reason, it's imperative that the MSHOA office has correct contact information for all owners. If you did NOT receive

this newsletter by email, PLEASE help us improve efficiency by providing your email address and current contact information to Henry Penney by email at [hpenney@marinasolhoa.com](mailto:hpenney@marinasolhoa.com) or to the MSHOA office at the address below.

Owners Laundry: Two of the three washing machines in the Owners Laundry of "D" building were inoperable when the board met in January. When properly managed, these machines should generate revenue over and above normal operating and replacement costs. The BOD authorized the purchase of two new washers not to exceed \$3,000 USD. Additionally, the BOD mandated that existing coin boxes be rekeyed and all future collections from laundry machines be done by two (2) employees at the same time to eliminate any temptation. Remaining machines will be replaced as funds allow.

Monument Sign: The sign at the main entrance to Marina Sol has not had any maintenance in years and looks tattered. At the last meeting, the BOD adopted a policy to improve the look and provide for ongoing maintenance. The sign space will be divided into eight uniform sections and rented to owners (only) for \$100 each per year. Owners will need to contract for and provide easily removable signs to fit within the spaces. The additional revenue will cover maintenance costs and lighting.

Solar Power: Cabo San Lucas enjoys an average of 350 days of sunshine per year. Current use of solar energy however is limited to heating the pool. The BOD hopes to include a presentation of alternatives at the May GA meeting.

Sales: Two units, B303 and D101, have recently sold for \$200,000 and \$140,000 respectively. According to Multi List Los Cabos, there are 13 units listed for sale at Marina Sol:

<u>Unit(s)</u>	<u>Beds</u>	<u>Baths</u>	<u>Size</u>	<u>List Price</u>	<u>Per foot + Garage</u>
A206	1	1	700 sq ft	\$149,000	\$213
A404	1	1	700 sq ft	\$159,000	\$227
A702	3	4	2,200 sq ft	\$569,000	\$259
A704	1	1	563 sq ft	\$169,000	\$300
C104	1	1	700 sq ft	\$169,000	\$241
C202	2	2	1,400 sq ft	\$259,000	\$185
C205+Gar	2	2	1,700 sq ft	\$250,000	\$129 + \$30,000
C303	2	2	1,400 sq ft	\$369,000	\$264
D202	2	2	1,400 sq ft	\$269,000	\$192
D303	2	2	1,400 sq ft	\$239,000	\$171
E101+Gar	3	2	1,737 sq ft	\$399,000	\$212 + \$30,000
E103	2	2	1,460 sq ft	\$349,000	\$239
E302+Gar	2	2	1,400 sq ft	\$279,000	\$178 + \$30,000

New Owners: Welcome Matt & Atilla Szamosszegi in B303 and Ronald & Linda Sanderson in D101.

Television: The BOD received written complaints about television reception and channel selection. The contractor is still working on cable replacement to resolve the reception problems. Once those are resolved satisfactorily, the BOD will address additional channels.

2010 Meeting Dates: Please mark your calendar for meetings scheduled on the following dates:

Board of Directors

April 29, 2010 (Thursday)  
August 28, 2010 (Saturday)  
November 11, 2010 (Thursday)

General Assembly

May 1, 2010 (Saturday)  
November 13, 2010 (Saturday)

That's the latest from Marina Sol. We hope you found this informative. Please contact any one of us if you have questions or suggestions.

Board Members

Henry Penney, President  
Jim Waldie, Vice President  
Lisa Seace, Secretary  
Lorie Luiza, Treasurer  
Bart Cuomo, Director  
Bill Fawthrop, Director  
Anthony Peluso, Director

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Vigilance Committee

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