

Asociacion de Usuarios de Marina Sol, A.C.
General Assembly Meeting
May 2, 2009
Presidents Report

Please accept my apologies for the tardy distribution of the General Assembly packet. We encountered some difficulty closing out the 2008 financial statements. Establishing this base line combined with the new accounting system should prevent the problem in the future.

Financial: We ended 2008 operations with a small deficit of \$3,344 USD after absorbing a shortage of \$24,899 from the previous year. We currently anticipate a surplus due to a favorable shift in the dollar/peso exchange rate. Attached you will find the year end Balance Sheet and Income/Operations Statement.

Oasis: As previously noted, the attorney for our Association, Omar Quijano reviewed the old Oasis lease. He told us it was a weak document that was based on American law which did not protect our Association well in Mexico. Based on his experience, he advised us that if the Oasis were to file suit, the matter would be tied up in court for six to seven years and cost tens of thousands of dollars. During this time, the Oasis would retain possession of the property and be paying rent to the courts, not MSHA (see attached letter). Given the risk to the Association, your Board made a business decision to pursue renewal with the Oasis. I am pleased to report that a new lease conforming with Mexican law has been signed with the Oasis before the Notario. Attached is a summary of that new lease.

Maintenance: For the first time since construction, the water tanks were drained, cleaned and sealed during 2008. Other completed major maintenance projects include:

- two new pool heaters installed;
- all exterior doors varnished in Buildings B, C, D and E;
- concrete stairs sealed in Buildings B, C, D and E;
- water pumps repaired in all buildings;
- roof sealant applied to Building B;
- amplifiers installed to boost the TV signal in Buildings B, C, D and E.

This summer we will be working on the major pool repairs and water treatment system approved at the November General Assembly meeting. Please remember that we are targeting August 3rd for work to begin and that construction will probably last through

the end of September. We are also working to repaint the buildings using MSHA maintenance staff as time and funds allow.

Spring Break: In preparation for spring break, the Board's instructions were to hire enough guards so two were on duty every night of the week. Additionally, an off duty police officer was to be hired and on site every night during the six week spring break period. This worked well last year as the number of incidents were few. For various reasons, the Board's instructions were not followed for the '09 season. The board understands the seriousness of the spring break problem and will be looking at alternatives.

Remodeling: Please remember to submit remodeling requests to the board so they can be approved at the May meeting.

Proxies: To be valid, Mr. Quijano advised the board that Mexican law requires original proxies witnessed by two people be submitted. Please keep this in mind if you cannot attend the General Assembly meeting in person.

Henry Penney
President