

Committee meeting of April 5, 2011

Tuesday, 26 April 2011 08:21 Written by Michael Corke

Hello everyone,

Below is a summary of the committee meeting of April 5, 2011.

1. Annual Calendar of Meetings - Initially the dates are as follows: R.R means that includes financial report of Resortalia.

31/5/2011 Tuesday (R.R.)

28/6/2011 Tuesday

7/26/2011 Tuesday (R.R.)

9/27/2011 Tuesday

10/21/2011 Friday (R.R.)

11/22/2011 Tuesday

21/2/2012 Tuesday (R.R.)

2. Organization of the Committee -

The Vice Presidents are Antonio Escalera and Ron Locke.

In the event that the President is incapacitated, the Vice-Presidents may take decisions jointly.

3. Press Release Policy -

I have sent an email to all the owners of whom I have e-mail, asking them to register on the website and I have detailed my communication policy.

All my communications will be in the safe area of the website. I will communicate the issues and present the facts as they are.

We are building a new forum for the use of Spanish and English owners. It is expected to be operational by April 16.

At the moment we have the following volunteers to moderate the forum: Viv Church, Nigel Bradbury, John Millroy, Paco Moreno, Noemi Solano and me.

Before launching the forum, I will publish the rules of the forum, basically rules of behavior.

Surveys will also be available in the coming weeks so that I can get a quick survey of the owner's views.

4. Community Website -

A number of people have said that it is difficult to find the information on the website or we should make it easier to use.

Paco Moreno, John Millroy, Paul Joosen (web designer) and Margaret Daniels will contribute suggestions for improvement.

Margaret's participation is to help me with the day-to-day requirements of the website and publish social updates, golf, social events, etc. and also how to use the website ..

5. Policy of Delinquents

Debtors will be pursued much earlier and with debt lower than that of previous years.

In the coming weeks I will publish details of our collection process including times and costs incurred by these owners.

I have spoken to Stephen Kettlewell, our UK and Irish tax collector, who tells me that the costs of judgment are lower when the debt is lower or if we pursue the debt faster we will save money to the debtors since all costs, etc., are paid by the debtor.

European processes take around 2-3 months to run in the UK and Ireland.

The last information I have is that we have 317 apartments with debt. The outstanding debt of 2008 is 50,209 € - the outstanding debt of 2009 is 88,917 € and the outstanding debt of 2010 is 230,039 €.

The community has not made any provision for debts in the past and I think it would be important to make a forecast in next year's budget.

Please be assured that as far as possible all debt will be prosecuted through the courts.

## 6. Themes Polaris World -

Update of: old bar, supermarket and bugys area - completion of the perimeter fence around Phase 6 - change of location of the supply area of Phase 7 - elimination of outbreaks in the sports area

I have asked our administrator to write to Polaris World and the City of Murcia to resolve these pending issues, which I will keep on my agenda until they are resolved.

## 7. Contracts

a) Water contract - we need to monitor the quality of the irrigation water used and we should renegotiate some form of quality measures before paying lower prices of use.

In the past we have studied other alternative water supplies and have not been successful. I would like to explore more ways to see this problem including alternative water supplies, attempt to renegotiate the water contract, see the schedules of the irrigation system to ensure that it is done in the coolest hours of the day to avoid unnecessary evaporation and to check the plants that we use to make sure we use those flowers and plants that need less water. Could we replace some grass areas with flowers? Do we need flowers around the pools or putting stones would be just as well?

There are many ways to see the same problem and any ideas about it are welcome.

b) Lifts contract - This is a legal contract that has 8 years left and we can not cancel or we will demand for the remaining amount of the contract. So we only have 2 options, renegotiate with Kone or expect to breach the contract and finish.

c) Contract gardening city hall area - I have explored the area of the town hall and I think the contract has been based more

in the size of the area and the number of staff needed instead of the work that is needed, and I have asked Isaac to organize a meeting with STV to define our requirements.

## 8. Expenses Road lighting -

In Sucina and in many towns and villages, the municipality pays for expenses such as road lighting, garbage collection and sewer maintenance.

Due to the agreement between Polaris World and the City Council, which was part of the agreement for granting the construction of the Resort, we pay for our electricity in connection with street lighting, garbage collection and sewer maintenance.

In my opinion, the cost of garbage collection by the City Council is slightly higher than we currently pay and this compensates for any savings in road lighting or sewage costs.

## 9. Questions and other topics: Banking agreements

Having considered offers from Santander, La Caixa and BBVA, I have decided to leave the current account at Cajamar which have agreed to pay interest on a current account of Euribor at 6 months - 0%, resulting in an approximate 1.5% interest.

We are now receiving interest on our current account which, looking at the average number of business last year, could generate around € 4,875.00 to the Community.

The only charges we will pay will be for returns returned which cost € 1.42 per note. For some reason this charge has not been passed to the owners and we will need to wait for the meeting next year for approval to add these expenses.

The other only attractive offer was from Santander which offered us a current account with no remuneration and the possibility of transferring funds from and up to a second remunerated account to 2%. Assuming a balance of around 50,000, 00 euros in the current account and 275,000, 00 euros in the remunerated account, would provide an income of 5,500.00 euros, an extra 625.00 euros per year compared to the other offer.

However, the current account included a series of commissions for return of receipts of 2-5 euros and a commission of 2 euros per giro of receipts. This implies that for 1864 quarterly turns x 4 quarters x 2 euros = 14,912, 00 euros in commissions of management of receipts, that would eat the financial income obtained in the remunerated account.

To this must be added that most owners should refill debit authorization. That is why it must be concluded that our current entity offers the best possible results.

I will work with Resortalia to ensure that the money from the previous deposits is transferred from the current account to the new deposits as soon as possible.

As for deposits, their security is as important as the interests they generate. Therefore, I would like to inform you that we have obtained 3.50% rates in one of the most secure Spanish entities - La Caixa. There will be 3 deposits with them that will give us a remuneration of 15,750.00 euros.

CajaMurcia, meanwhile, has merged with three other entities to form Banco Mare Nostrum, which is well considered by Fitch. We will also open 3 deposits with them at a rate of 3.75%, giving us a result of 9,375 euros.

In addition to the above, excess liquidity will be placed in deposits in our current entity, Cajamar, at a rate of 3.75%.

We have reduced the risk of our capital by diversifying investments in three different entities.

Having several deposits in each entity allows us to access the funds in an emergency by paying a lower penalty for a provision that we would have to pay if we had to cancel a single larger deposit.

We will be able to complete this process as soon as the Presidents' Minutes of Election are signed by Margaret Daniels, where it is recorded that having been elected New President, I have the authorization of the Community to act on its behalf.

#### TV Deal - TV Agreement

I have met with A2Z and have been given additional details regarding costs and other options, for example, how much would it cost exactly to have the same service we received from Polaris World?

With the proposed contract, A2Z has agreed to provide us with some additional services at no cost:

Free emergency calls in addition to internal calls and free WiFi with a free Wi-Fi zone in the Resort, perhaps in the Cason.

I am waiting for an offer of TV Horadada and we are looking at the possibility of looking for other offers before deciding with which supplier we will negotiate.