

Minutes Committee meeting of July 26, 2011 - 10:00 am Spanish time

Order of the day:

1. The debtors of update.
2. Finance 2nd quarter 2011
3. Presidents update actions since the last committee meeting including the issues to be discussed.
4. AOB - Next meeting Tuesday, September 27, 2011 at 10 am Spanish time.

Apologies: Viv Church, Ann Dyos.

Debtors of update

The figures below include the surcharges of 20% from 2008, 2009 and 2010.

Unpaid installments as of 7/20/2011: 446,117 - a reduction of 74,910 since the start of the new process.

Unpaid installments as of 06/20/2011: 483,305

Unpaid installments as of 5/20/2011: 521,027

As we have just asked for the payment of July 2011, there is a possibility of an increase in outstanding installments next month when the direct debit returns are charged to our accounts.

Community expenses, our UK debt collectors, are chasing some 120,000 euros, with 30 cases currently in the court process.

Law enforcement officials are due to visit a number of properties in the UK in July to recover outstanding community fees and will report on progress as soon as possible.

Hopefully, whenever possible, owners with outstanding fees will contact Resortalia to arrange payment before any further legal action is required, although the next transfer of cases to which the collector is scheduled for this week.

Resortalia continue to receive applications from homeowners who want to pay outstanding community fees.

Finance 2nd quarter of 2011.

The figures for the semester show a great potential for overspending due to a combination of one of the expenses, increased use of electricity, increased irrigation water volume and an initial budget which, with the benefit of hindsight, was too low to begin with, despite having discussed with Isaac I can see why certain assumptions were made.

After analyzing expenses, Antonio Escalera and I have met our pool contractor to discuss options to reduce electricity consumption and only replacement parts that would not do so would be to prevent a group operating before mid-October in the use of billiards starting point reduces rapidly in the refrigerator months. We also agreed the running times of the pool motors from now until April 2012.

We have also met with the gardeners and received a proposal from them, which could save 15% of the planned expenditure on irrigation water in the second half of the year that 67% of the annual water budget is spent.

One of the expenses included the costs of installing water meters in the 19 pools along with the additional costs involved in the water, while the meters were fitted as the pool levels were reduced meaning more padding was required. Street meters and light were placed the pool fences have been painted this year as planned, but not budgeted.

Resortalia breve will send its fourth management report 2 to all those included in the General Reconciliation of the Community from 1/1/2011 to 6/30/2011.

We have reserve funds to cover the most expenses and you will not need to increase the additional income from this year's fees.

As for rates next year, we have a number of contracts to renegotiate towards the end of

the year and the bidding process will begin at the end of September, we also have our electricity project team who are hoping to reduce the costs of electricity for us and we have savings in the contract and raise.

Presidents to update the actions since the last meeting of the committee.

Security

The safety review of the project team has begun its work and various meetings have taken place in order to ensure that our systems are fully operational.

I will have more to report at the next committee meeting in September.

Of water

Alternative sources of water for the project team.

Antonio Escalera has set up a project team to consider our options for providing alternative water for irrigation water.

Polaris World claim to own reserve, but we have to obtain a right of use that allows us to contract directly with the desalination plant to save around us 12.5% of the costs of irrigation water.

Resortalia will look for appointments from experts who can complete a report on the ownership of the reservation to see if we have a case.

This is still an ongoing problem and will provide updates at future meetings.

Electricity Resort use of project equipment

A scope document has been produced and information has been requested from Resortalia.

As mentioned last month, I hope to provide initial information for you at the September committee meeting, although the project will not end before the end of the year.

Gardens

I have written to all the owners detailing the agreement with STV to provide three additional staff at no cost to the community at large and is expected until the end of September to see if the planned actions have been followed through and the overall look of the station it has improved.

Antonio Escalera and I met with STV on their application on Monday to discuss the initial progress and we are starting to see some improvements already with less brown areas of grass and much less areas where the grass is too moist. They have begun to weed and the definition of the edges of flower beds and after having checked the irrigation system in a couple of phases already.

I have seen some gardeners at the resort after 7pm on some occasions, so they are also putting in overtime to try and improve quickly. A promising response to date.

Swimming Pools / Fountains

As I mentioned in the last meeting, the pool company was asked at the beginning of the year to examine the mechanisms of the pool and a small reduction in the cost of Q2 of spare parts.

The expenses of Q2 was € 11,457

The expenses of Q1 was 12,500 euros,

I am concerned about the cost of maintenance of the pool and we have to minimize maintenance costs in the second half of 2011.

Lifts

Following the discussions held after the last committee meeting, the General of the Community will continue to pay maintenance man, when he spends the time the rescue of

elevator shafts in an attempt that the temporary elevation of operation in what is expected which only a few cases of real mobility problems of owners.

This option is not available to renters.

Any requests for elevators to be put into operation should be directed to the Presidents phase which is a decision or refer to the commission.

It is worth mentioning that despite the efforts of the maintenance man and Kone, we have not been able to do a working elevator recently due to security concerns expressed by Kone and that there is no guarantee that the affected elevators will work, or if they do , for how long.

This is part of our defect claim and no action can be taken to resolve the problem until after the trial.

Fumigation

Treatments against mosquitoes:

Treatment has commenced and will be held every 2 weeks from June 9th-9th 29th 2011.

I would really appreciate it if you follow the following recommendations so that the treatment can be carried out safely and efficiently as possible.

- Keep all doors and windows closed 01 a.m.-06 a.m.
 - Exercise caution when driving through the complex during the treatment interval.
 - The product used for treatment may irritate the eyes and skin, if possible;
- Please do not walk through the areas that are being treated.

Fumigation against wasps:

In the past our fumigator has removed a number of wasps from the wasps for us for free and has sometimes pulverized the roofs of buildings, for free.

In the past two years requests to remove nests have increased and the fumigator now feels that he is unable to continue to offer that service for free.

It is possible for the Subcommittee presidents to request that the roof of their building be sprayed against wasps if there are numerous wasps nests in many areas of the roof.

This treatment is not included in our contract, so they would have to be paid by the Sub Community at a cost of 250 euros plus VAT.

The treatment is expected to kill about 60% of the wasps so it will not completely eliminate them.

In addition, the fumigation company has decided to start charging for the removal of the nests located at a cost of € 25 plus VAT per nest, provided that it is done on the day of the week assigned for the weekly review of the company, currently Wednesday of each week. If you request one more day the cost would be € 90 + VAT aloud charges plus € 25 more VAT per nest.

The cost of eliminating wasp nests will have to be paid by the Subcommittee.

All applications for removal of the nest wasp or fumigation ceiling should be sent to Resortalia who will seek the approval of its chairman of the Sub Community before indicating to the fumigator.

We will contact the fumigation company to try to negotiate better conditions.

Palm trees and treatments against the Red Weevil:

Talks with STV are underway and we hope to agree on an additional treatment by the end of the year.

Communication

We have 1070 registered users of our website as on July 19, 2011.

Team project web redesign

On going

Sponsorship has received more from Cashback Villa, one of the best agents for the sale of bank properties in our resort.

The sooner, shares of property banks sell at prices sooner may see a small recovery.

Bus trips.

I would be interested to hear comments from owners who have used or field trips to contact you 4.

They have taken a number of queries from people who are looking for book tours and are willing to coordinate among the owners to try to find enough people to make a tour so even though there are not many in your party it is worth contacting them, as they may be able to make an excursion with other owners and meet new friends.

This is a very flexible service at our disposal and it would be great if many of you have been able to enjoy excursions during the summer.

You can take trips to local beaches such as Cabo de Palos and Los Alcazares, as well as visits to the vineyards and major festivals in Murcia and Cartagena, as well as many other locations.

Resort Meetings

More meetings will be held during the summer and beyond exploring options to work together and be closer to the time of the tender contract by the end of September.

Polaris World Issues.

The old bar, supermarket and golf shop have been removed and the first stages of gardening has begun. During excavation, damaged electricity cables affect a number of street lights in Phase 5 and repairs will be carried out, either by Polaris World or on your own.

I have been told that the current golf cart park will soon be moved to the concrete area next to the driving range, which belongs to the golf course.

A number of the commission were worried that the new stroller park look much better than the current one and Isaac will ask Polaris World if we can have any entry into their design. Polaris World have replaced the broken paper on the windows of disused buildings in the city center with a clean golf cloth looking themed front and looks much better.

The walls and fences around Phases 7.6 have been completed.

We had requested that the large Polaris World sign at the entrance are removed, but Polaris World is not going to pay to have it taken, so we will contact the City of Murcia as it is on their land.

We are waiting for a response from the City of Murcia in relation to what, where appropriate, permits have been given to use the land of local authorities in phase 7 as a storage area.

If moved, it will move to the designated area in the partial station plan on Polaris World owned land at the other end of Phase 6.

The link to the partial plan is located in the secure area of our website, in the organization section at the bottom of the page.

The committee has asked to be informed of plans in advance, although we have no dates

for potential relocation.

Sport's zone:

I received a response from Polaris World to our requests last month:

Polaris World have apologized for not keeping the sports area and tell me they will now. Consequently, they are not given to the sports area of the community at large.

There are issues related to the water used in the areas of sand erosion and I have been told Polaris World is committed to repair those areas. If not, I will ask STV for appointments to add extra sand to the affected areas as a temporary measure.

I have asked for the lights to be removed or at least reduced so as to affect as few as possible owners of buildings bordering the sports area and Polaris World have refused to do that so they have requested Resortalia to obtain a copy of the granted licenses for the construction of the sports area to ensure that the lights have been installed according to the plans.

Statutes

Rewriting the bylaws in order to present options for owners to vote at the next General Shareholders' Meeting or an EGM is an ongoing project.

EUCC

A recent court case in another province of Spain has given new hope in the struggle for the City to pay the costs of lighting streets. Isaac is exploring our legal position and I hope to have an update at the next committee meeting.

Rooms for garage storage

I have asked Isaac to check the ownership of the garage storage rooms and that I should know where we stand at the next meeting.

Community registration risk

Playgrounds for children:

Danger -

1 - uneven hard ground can cause tripping and falls.

2 - Exposure to the sun can overheat surface slip area and cause burns in the legs.

Potential Solutions -

Consider installing protected floor surfaces for all play areas.

Consider installing sun shields on the slides. For example, see the play areas in Sucina ..

Replace the metal slide with plastic.

Replace the metal slide with a tunnel-type slide.

Some appointments are still pending and a decision will be made at a future committee meeting, although as the main holiday period has passed by then any action will be delayed until the beginning of 2012.

Any other business.

Summer 2011 -

Please remember that many official departments are practically closed during the next 6-8 weeks that Spain takes days so progress will be much slower until mid-September at the earliest.

Many of the Commission have holidays during the next 6 weeks, just like me, so make sure urgent emails are sent directly to Resortalia with a copy to the President of your phase.

Responses to the emails you sent me, the committee or Resortalia may be slower during

this period.

The ideas improvement team has ended up taking into account the ideas presented and has been disbanded.

Many thanks to all involved.

The following summary is from Ron Locke:

UPGRADE IDEAS

1. Advertising on the web of the community

We currently have eight sponsors on our website. No volunteers have been nominated to take on the role of increasing the number of sponsors. When opportunities arise other organizations will be asked to sponsor us. As this will be a "Business as usual" course, work that is now removed from the list being examined by the Improvement Team.

CLOSED

2. Wind / solar energy for public lighting. If possible it will be analyzed as part of the electricity project.

CLOSED

3. Sink the own well of irrigation water. This will be part of the review of irrigation water.

CLOSED

4. Bowling Green in Phase 2 of the Parcel Council. The council is not likely to agree with this community and the money could not be used. There are facilities of Country Bowls for people who want to play bocce.

CLOSED

5. Mini bus service to Sucina, Balsicas train station and beach. It is expected that companies in Sucina will provide a service to and from the station. To be discussed with the new mayor. The community will not be involved in any type of taxi business. One of our sponsors, 4you Murcia can offer some of these services.

CLOSED

6. Car rental service. The community will not be involved in the provision of any type of service due to legal requirements and the cost of providing such service, in addition to the need for volunteers to do the job.

CLOSED

7. Minigolf. Progress was not made because of investment costs and the difficulty of finding volunteers to participate.

CLOSED

8. Running our own monthly lottery was not advanced like, even if we were legally allowed to do so. Nobody has volunteered to run and experience shows the possibilities of getting the volunteers is very thin.

CLOSED

9. Advertising in the window of the community center. No progress was made because of the lack of volunteers.

CLOSED

10. Fishing on the lake.

The following are the main problems identified with allowing people to fish in the lakes:

We do not own the lakes or the means to access them

They are part of the golf course and there is a risk for people fishing to be hit by the ball, although we recognize that this risk would not be relevant if fishing is done outside of our golf.

Snakes have been observed in the place and by the lakes there is an abundant food source to attract, especially the frogs. Spain has several types of poisonous snakes. The areas of the lakes are breeding ground for various species of birds, and their source of insect feed.

Birds can get trapped in the discarded line and hooks.

These are not natural lakes and fishing hooks can damage the lake liner.

Manage the use that depend on volunteers, which are scarce.

We decided that there were many difficulties to overcome and therefore have decided not to continue this matter.

CLOSED

11. Establish our own insurance agency to receive the commission for booking insurance

through the website. Offers from four organizations that are being considered. It will be led forward by Michael Corke. COURSE

12. Create our own TV channel through the TV provider to get new advertising revenue and facilitate communication at local events for the people in the place. Volunteers are needed to move forward in this. It is not likely to happen. CLOSED

13. Webcam. The legal implications of Spanish privacy laws prevent this from being advanced. CLOSED

14. Rainwater storage systems. It will now be part of the irrigation water project. CLOSED

15. Automobile scrap stickers as these are now public roads. The committee has agreed that there is no value in continuing the car permit system, so it has been canceled, with the exception of permits for security contractors we have been asked to maintain. CLOSED

16. Have the safe use of the part golf buggies of the time. It will be part of a security review. CLOSED

17. Move the center of the community in the Resortalia offices and thus save costs. The only expenses are for electricity so any cost savings would be minimal. It will stay where the foreseeable future is. CLOSED

18. Use more CCTV security and reduce the number of patrols. It will be part of a security review. CLOSED

19. Turn off street lights at dawn and light up when the sun goes down. It is already happening. It will be reviewed again as part of the electricity review. CLOSED

20. Resortalia have changed the resort to night electric tariff therefore a savings of 20% of costs. He moved to the electricity project. CLOSED

21. Turn off all pool lights after 7pm and disconnect completely in the low season. He moved to the electricity project. CLOSED

22. They have defined service level agreements for all services that reflect the occupancy levels of hotels in the low, mid and high season. This should be something that should be done for all contracts but has not been done in the past. It will be carried out by the committee for new contracts or when contracts are renewed. CLOSED

23. Plant more of the small fountains inside the complex. It will be presented to the General Board for its decision. CLOSED.

24. Have a General Meeting of Shareholders thus reducing next year's costs. A General Meeting of Shareholders agreed for March 12, 2012. CLOSED

25. Resortalia's new contract. It will be handled by the 2012 contract committee, when discussed. CLOSED

26. Photographs of dogs on the human resources website. There are no advantages in doing this as the dog log is adequate and still used. CLOSED

27. Concrete umbrella bases in each group. A decision will be presented at the General Meeting with pool loungers. CLOSED