Las Palmas
Home
Owners
Association

Welcome Packet
Las Palmas Board of Directors

Revised November 2012
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**WELCOME**

We are happy that you have chosen Las Palmas as your home and would like to provide some information that may be helpful as you settle in. Las Palmas is a deed restricted community and all properties are held, sold and conveyed subject to the governing documents of the Association that you received at closing.

Our Board of Directors is made up of residents who volunteer their time and whose function is to act for all residents, preserve property values and to keep Las Palmas a community of which we can be proud. We hope you will become involved in the activities of the Association.

Osvaldo Beltran is the On-site Manager at Las Palmas, and if you have any concerns with the day-to-day operation of Las Palmas, you may contact him at hoa_laspalmas@yahoo.com. Lynda Saveski is the Administrator and handles all of the HOA due payments, any billing concerns may be addressed to her at lynda-laspalmas@cox.net.

This packet will provide important information that is available on our website at www.laspalmashoa.com. Please be sure to sign up for our emailing list. On our website click on “Update Owner Info”.

We hope that you enjoy living in Las Palmas and invite you to become involved in our community.

Please feel free to contact us with any questions you may have.

The Las Palmas HOA Board

Dan Dimovski - President

Bruce Turner – Vice President

Janna Ponzio - Treasurer
MEET THE BOARD

President
Dan Dimovski

For those owners that are new to our community we want to welcome you and let you know that our resort’s operating budget has dropped 30-40% from what it was a few years ago. The dramatic change being the last 18 months where HOA fees are the lowest they have ever been and we expect them to go even lower.

This could not have happened without your support and if we did not have a united Board was committed to change and worked with each other to get to this point. One of the most rewarding decisions was to hire an outside consultant to evaluate our operation and assist in the onsite operation and special projects. Many of the recent changes as a result of consultant’s recommendations made through reviews and cost benefit analysis reporting to the HOA.

Additionally, we have started correspondence with neighboring resorts in an effort to find ways to save even more in certain common expenses if we worked together as a group. Like all of you that have invested in our community, we have great expectations for the future of Las Palmas. We believe that it is only a matter of time until the economy changes in our favor and we intend to place Las Palmas in the best position possible when this does happen.

Vice President
Bruce Turner

Since I have been working with the Board we have experienced numerous changes at Las Palmas Resort. Many of the changes were very positive and improved the Resort greatly.

My goal when I was asked to join the Board was to be transparent to the owners, honest, improve the operation and quality of the resort, and keep all of our investments in the best possible condition. I always communicate with owners that contact me via phone or e-mail ensuring I will reply to any/all questions and
problems that might arise. I never want an owner to say; my call or e-mail was not returned.

I have talked to many owners and discuss ideas to improve the resort and some personal situations that you have posed to be resolved.

I put a lot of thought in the decisions the board makes and make sure when we spend our money it is for the best price and we receive a quality product for the money.

I have tried to make sure all owners are educated in the legal aspects of owning property in Mexico and that as owners we make sure we pay our required fees to the government and at the same time protect ourselves with documentation.

Las Palmas is a beautiful resort and my wife and I love and care for it very much. We, like all of you want Las Palmas to be the premier resort on Sandy Beach. We want it to be clean, excellent condition, organized, cared for, and profitable for all.

I constantly strive to help guide the resort in a direction that keeps it in quality shape and profitable for all of us owners.

**Treasurer**
Jaana Ponzio

Jaana has extensive experience in management, finance, budgeting, and internal auditing. Jaana is also on the Board of Directors at her own HOA in Phoenix. Her expertise is finance and accounting and is instrumental in auditing and reviewing the finances of our HOA. Both the US and Mexico accounting teams report to Jaana who oversees all our financial activity.

**MEET THE STAFF**

**On Site Manager**
For those of you who do not know him, The Board would like to introduce Osvaldo Beltran Camacho, Resort Comptroller. Osvaldo is not new to our resort, as he has been with Las Palmas since day one.

Previously he was behind the scenes, handling our Mexico finances, our accounting, bookkeeping and financial
administration. He has been instrumental in assisting the Board in creating budgets and managing our Mexico affairs.

He has a full awareness of current HOA issues, and has been assisting the Board and our homeowners in fiscal matters as well as project completion. Each year he has become more actively involved in administering projects and the day-to-day operation of our resort.

Osvaldo and his team will follow through with all projects and ensure that the goals of our administration and the needs of owners are met.

We believe Osvaldo and his team will bring a new level of excellence to our resort. You will be pleasantly surprised to find Mr. Beltran to be accessible, and responsive to your questions and concerns.

His contact information is posted in the Contact Menu of this website, and is also listed below for your convenience:

Cell: (011 52) 1- 638-113-0306
Office: (011 52) 638-38-28137

Ema ils:
hoa_laspalmas@yahoo.com
osvaldobeltrancamacho@hotmail.com

SECURITY
Cesar Campa Cecena
Security Supervisor

Osvaldo and Board Vice President Bruce Turner, a retired police officer, is pleased to report that our security department has received some much needed updated equipment. Officers received flashlights, handcuffs, pepper spray, badges and leather gear among other law enforcement items.
Bruce has personally trained our officers on the proper use of handcuffs and how to put them on rapidly and efficiently. He also instructed them on the proper use of pepper spray and other security tips.

Everyone also agreed that in three months, the security officers will be given a physical test. This should give the ample time to train and improve their physical condition in the event of an emergency situation. The training and new equipment will help our guards improve their security skills with increased knowledge and improve job performance.

**Quality Control Manager**

Jackie McGrew is the quality control consultant for Las Palmas. Her goal is to bring Las Palmas standards up to that of a first class resort.

She brings with her a wealth of 25 years of experience as a quality control manager from many different fields.

The main goal of her position is to maximize the cost efficiency and effectiveness of the day-to-day operations and monitor quality control and finances at Las Palmas. She will be working hand in hand with the on-site management to improve the overall quality, appearance and curb appeal of Las Palmas.

Her role is also to look for ways to bring HOA services up to the level our owners demand and our renters expect. She examines every avenue to build and improve the communication process to assist our Tenants’ (bar, restaurant, rental companies, etc.) so they can better serve their clients, and still stay within the parameters set by the owners and the HOA Board.

Jackie will be observing operations so that she can provide valuable input on how to best improve our resort. She has reviews and audits our Mexico & US accounting.
operations extensively and reports her findings and makes recommendations to the Board.

**US Accounting**
Lynda Saveski is the U.S. Administrator for the Las Palmas HOA and lives in Gilbert, AZ. Feel free to contact her with any questions you may have regarding billing. Please fill out and return the form included in this packet (or complete it on line) at your earliest convenience so that she may update our records with your current contact information. She mails quarterly dues statements out two weeks in advance.

Please make checks payable to Las Palmas Community Association, and mail to the below address. You may also deposit cash/checks directly into the HOA Chase bank account #642064810. Please make a note of your name and unit number on the deposit slip for reference so we can properly credit your account.

Payments are due on the 1st of the quarter and considered late on the 16th of the first month of the quarter. Late fees of $25 apply automatically on the 16th, to all delinquent accounts.

If you wish to pay by credit card, contact Lynda directly with credit/debit card info to be included in credit card processing. There is a convenience fee for credit / debit card processing.

Lynda Saveski  
Las Palmas Community Association  
929 N Val Vista Dr., Suite C-109, Box 164  
Gilbert, AZ 85234  
lynda-laspalmas@cox.net  
480-258-7082

**Webmaster - Communications**

Ross Anfuso has developed our website and sends out emails periodically to advise owners of news about our property. He keeps us informed with blogs, meeting minutes, photos and posts pertinent information and documents on our website, [www.laspalmashoa.com](http://www.laspalmashoa.com). Please be sure to subscribe on the
website so that you may be added to our e-mail list and receive these updates. We also look forward to owner feedback via the forum pages to voice complaints, suggestions, and other ideas to improve our property.

**BILLING & DELINQUENCY INFO**
Due to persistent delinquencies, the Board has decided to adhere more diligently to the CC&R’s of the community with regards to HOA dues collection.

The quarterly dues are due on the 1st of the quarter and will be considered late on the 16th. All late fees will be assessed on the 16th, and there will be no exceptions made.

The late fees are currently $25, which is the maximum currently allowed according to the CC&R’s of the community.

On the 30th day of the following month, that is a full 60 days after the due date, a lien will be initiated against delinquent properties and attorney fees will begin to accrue. Once the lien is initiated the owner must pay all collection costs. The lien will remain in effect until the account is current including legal fees associated with the lien process.

Common use utilities and facilities will not be available to delinquent owners.

There will be an 18% interest rate per annum charged per the CC&R’s of the community.

We appreciate you paying dues in a timely fashion so that the HOA can keep the community running smoothly.

**POOL & JACUZZI INFORMATION**

**Rules**
Open 8:00 AM to 10:00 PM

**SWIM AT YOUR OWN RISK. NO LIFEGUARD ON DUTY.**

Children must be under adult supervision.

No pets allowed.

No glass containers in Pool Area.

No Food around the Pools or Spas.

No Smoking around the Pools or Spas.
No diving. No running around Pools or Spas.

Wear Swimming Suit.

No Diapers Allowed.

Shower before entering the Pools or Spas.

Observe Moral Behavior.

**Heating Schedule**

New heating schedule for the pools:

20% TOTAL occupancy for 1 small pool, either Grande or Baja

50% TOTAL Occupancy for Main Pool

Main pool Jacuzzi 24-7

The Condo Jacuzzis will be heated from Friday morning to Sunday night, or thru Monday if it is a holiday weekend.

Non-renting owners need to notify management a week in advance by email that they will be occupying their condo so they may be included for the occupancy calculation in addition to the one provided by the rental companies.

The calculation is to be based on 172 units, not the rental pool count. Cost of heating the large pool is $6,000 per week. Owners need to be proactive and attend the HOA meetings if they are interested in implementing and paying for a more liberal pool heating policy.

The rental impact fee has no monetary effect on the pool heating or air conditioning the clubhouse policy.

**Rental Companies**

**Dolphin Beach Rentals**

To date we have seen our rental revenue grow by approximately 38% and should hopefully reach somewhere in the range of 40% to 45% more sales in 2012 than 2011. Dolphin has 2 full time marketing employees with an additional consultant.
The idea is when it comes to vacation rentals to make Dolphin/Las Palmas a household name. It is working. Dolphin’s goal is to increase our sales and your income by at least another 30% in the year 2013. We have already tested a brand new market which will be put into action January 1, 2013. It has proven that it is going to help give us the results we are looking for.

If your unit rentals have not matched this growth, we would like to ask you to go onto the internet and review other units to see if your unit looks as sharp and crisp as the other ones look.

The items that you need to check are your furniture to make sure it is clean and fresh and your TVs are of the new flat screen variety (they do not have to be expensive), your curtains, pots and pans and kitchen items. We do watch these things, but I believe that you the owner are better at that than we are.

By the way, if you just cannot get to Rocky Point and you would like for someone to go in, take pictures of the items in your unit and send them to you for your review, please contact Sarah or America. If you do it by email please copy me, and we will get that accomplished for you.

In other words, if there are items that are needed to be purchased in the states and delivered to Mexico, we will do that. If any work is needed by an outside contractor in Mexico, we will get you the necessary estimates, and with your approval, will take care of that. I just want to let you know that our marketing people are housed in Mexicali.

– Al Young, Dolphin Beach Rentals

**Castaways**

Castaways Rocky Point working together with Long Realty Rocky Point offers a full range of Property Services to their clients. Castaway’s offers complete Property Management Services to both Renting and Non-Renting Owners.

Castaways provides; short term rental clients, long term rental clients, bill pay services (small fee to non-renting owners), online access to reservations and statements, reasonable exchange rates, housekeeping and maintenance services.

In all we offer a turnkey service to allow our owners peace of mind and less time spent dealing with issues when visiting their property. Long Realty Rocky Point offers full Real Estate Services for Buyers and Sellers. Our fees are competitive and service is the best in the business. Long Realty also provides a steady stream of Long term rental clients and once in place turns over the management to the professionals at Castaways.
Below is contact information for both companies if you need to reach us. We hope to be functional and onsite by the following weekend and hope you will stop in to meet us.

Property Management & Rentals.
"Where service is our business"
US Line (602) 445-6222
MX Line (638) 388-0099
US Fax (602) 386-2576
Info@CastawaysRockyPoint.com
www.CastawaysRockyPoint.com

Thank you and best Wishes,
Kurt Geisler
Owner

**POLICY**

**Community Rules**

- Fireworks or Bon-fires are PROHIBITED in Las Palmas or the Beach. Violators will be fined and evicted from the Community.
- Speed limit is 5 miles per hour.
- No smoking in buildings, elevators or in any part of the Clubhouse.
- No A.T.V.s or motorcycles on the beach or walkways.
- Use the walkways to walk to and from the beach. Do not walk between the beach homes.
- All vehicles must be parked in designated parking areas or in garages - not on the street. Vehicles in violation will be towed at the owners’ expense.
- Please do not hang wet towels or swimsuits on the balconies to dry.
• All persons must conduct themselves in a civil and courteous manner at all times and must not jeopardize or interfere with the rights and privileges of others.

• Loud, profane, indecent or abusive language is prohibited.

• Harassment or physical abuse of any person by another is prohibited.

• No person’s actions shall compromise the safety of another.

• Owners may walk dogs outside and must be on a leash. You are required to pick up any feces on the grounds and the beach.

• Balconies must be kept in an orderly, uncluttered appearance and have furniture that will not blow away or injure others. Only propane or electric BBQs are allowed, no charcoal or open fires.

**Zero Tolerance**

1. When a person(s) is/are contacted for loud noise, loud music, disruptive behavior, resort rules violations, they will be told to cease and desist this violation of the resort rules. This is the one and only chance they will have to obey the rules and stay on the property.

2. If Security or Staff has to respond a second time to the same person(s) they will be told to pack their bags and car and leave the property immediately. There will be no discussion and there will be no exceptions when the second contact is made.

3. If the person(s) do not comply and depart the property in a timely manner the Puerto Peñasco Police will be called to the Resort and either evict or arrest the person(s) as needed.

* In the event the violator is an owner or owner's family they will be told a security report will be prepared and forwarded to the board for action and fines in accordance with Las Palmas Project Documents page # 79 under Code of Conduct. If an owner or owner's family is out of control, disruptive, and non-compliant at the second contact the Puerto Peñasco Police will be contacted.

*The above procedure is being strictly enforced to insure Las Palmas is an enjoyable place for everyone to visit and live. If we are to all reside together in close proximity we must respect each other and we must obey the rules. If you don't do this the above actions will occur.*
**Wristbands**

Effective immediately, the HOA Board is enforcing the wrist band policy. All persons on the resort with the exception of our staff, Dolphin Rentals and restaurant and bar personnel **MUST** be wearing a wristband.

Anyone not wearing a wristband will be asked to leave the resort.

The HOA Board will deal with refusal by an owner or their guests.

Our Operations Manager has additional wristbands for owners who may need them.

This renewal of the wristband policy is to assist our security staff to identify all the unauthorized children, friends, and uninvited guests that frequent our pool, and are not authorized to be on our resort property.

**AMENITIES**

**Restaurant**

Las Palmas would like to introduce Chef Jose Rodriguez and his restaurant MED to our resort. Señor Rodriguez is a prominent Chef from Hermosillo, and has founded a Culinary Academy and several restaurants in Sonora. He grew up in the U.S., and has an impressive resume of experience in both countries. He has made several television appearances and is renowned for his fabulous dishes.

He has remodeled our restaurant to accommodate more guests, and has a reasonably priced menu with Italian-Mediterranean and Mexican flair. On busy weekends, he also offers outdoor grilled items, including burgers, tacos and other great fare for low prices.

Let Chef Jose cater your next party or event. Once you meet him, and get to know him, we’re sure you will agree he has the expertise to be successful for our mutual
benefit. He is committed to having the best restaurant in Peñasco right here at Las Palmas. Check our website for links to videos of his TV appearances, resume, and our new menu.

**Mini Mart**
The new Romy’s Mini Mart, operated by Chef Jose is also open for business.

Romy’s occupies the space next to the restaurant, with a poolside entrance. They also have a fine variety of snacks, drinks and essential items such as ice and sunblock.

Please note on the menu board, there are no items priced over $2 USD. What a great addition to Las Palmas!

**Massage Therapist**
Cosmetologist Gloria Ramos has opened up shop on the Las Palmas property, located in the office across from the computer area. Gloria offers her services from 9:00 am - 5:00 pm Thursday to Tuesday. She offers a variety of massages all at very reasonable rates and special rates for owners. In the summer months she also offers poolside massages!

**Club House Facilities**

**Reserve Use of Clubhouse**
ELIGIBILITY: Only adult homeowner/ members or the immediate family of Las Palmas Homeowners Association with no delinquent accounts will be eligible to reserve the clubhouse facilities. Restrictions to rental or use may occur if previous rental resulted in damages or abuse to the facility. Any homeowner / member are restricted from rental or use of the clubhouse if delinquent in HOA dues or assessments.

RENTAL FEES FOR THE CLUBHOUSE: A $50 cleaning / administration fee is required for use of the clubhouse.

RESERVATION POLICY: The Clubhouse is available for private homeowner’s parties subject to the following provisions:

A reservation request must be made to reserve the premises and will be available on a first come/first serve basis with all fees & deposits paid one week in advance.
The Board of Directors (HOA) and/or On Site Manager delegated to handle reservations must approve the request. Type and size of party must be specified at the time of reservation.

The Homeowner agrees that all damages will be the responsibility of said Homeowner. The HOA will determine damages.

Homeowner agrees to leave the Clubhouse in clean condition with all trash removed from the premises.

The Homeowner who reserves the Clubhouse must be present at the function.

All parties must end by 11:00 p.m. and must remove their trash at that time.

Violation of any of these rules and regulations will result in immediate termination of the function.

The HOA may change or amend any rules or fees at its sole discretion.

TIME LIMITS: Rental times available between 8:00 a.m.-11:00 p.m., unless otherwise approved by the Board of Directors.

RULES AND REGULATIONS: No animals, no smoking, no loud music after 11:00 p.m. no rowdy behavior in the clubhouse. All Clubhouse furnishings must remain in their place. No furniture is allowed to be moved. Persons under 21 years of age are not allowed use of the Clubhouse unless accompanied by an adult.

I HAVE READ, UNDERSTAND AND AGREE TO ADHERE TO ALL POLICIES, RULES AND PROCEDURES FOR THE USE OF THE CLUBHOUSE AS STATED ABOVE. I UNDERSTAND I AM RESPONSIBLE FOR ALL DAMAGES AND THE CLEANING OF THE CLUBHOUSE. I UNDERSTAND THAT I WILL BE CHARGED FOR ANY DAMAGES THAT OCCURRED DURING MY RESERVATION TIME OF THE CLUBHOUSE OR FOR ANY COSTS FOR CLEANING.

I WILL HAVE THE CLUBHOUSE READY TO BE INSPECTED WHEN MY RESERVATION TIME HAS ENDED.

Game Room
The game room is located on the second floor of the clubhouse and is open and available for use during clubhouse hours of 9:00 am to 10:00 pm. It includes a pool table and air hockey for your pleasure.
Please see the rental office for pool balls, cues and chalk.

**Fitness Room**

The fitness room is now located upstairs of the clubhouse, next to the game room.

Those using the fitness room need be in proper gym attire, which includes shirts and closed-toed shoes. No bare feet.

No one under the age of 16 is allowed in the fitness/cardio room.

Beverages in shatter proof, non-spill containers are permitted in the fitness room; please no food, candy or gum.

Please bring a towel to wipe equipment, and use an athletic bag for personal items.

We also request you adhere to a 30-minute time limit on cardio equipment when others are waiting.

**Steam Room**

Located in the clubhouse off the main hallway, the steam room is open for use to owners and guests aged 16 and older.

Anyone using the steam room should be in good physical health and should have prior consent from their physician before using the steam room.

Anyone using this room must first shower and must also bring and use a towel when coming in contact with any surfaces. Water containers brought into the steam or sauna must be shatter proof.

Shaving is not permitted in the steam room.

You must obtain a passkey from the rental or HOA office to access the room.

Instructions for usage are posted outside the entrance. Please read the instructions fully and carefully prior to use.

**Conference Room**

The conference room is also located on the second floor and is usually where the quarterly Board meetings are held. It is also available for owner use on a reservation basis. Please contact the Resort Administrator to use the
conference room with sufficient advance notice. A projector and screen is also available for use.

**Computer Room(s)**
The computer room is located in the clubhouse hallway across from the restrooms. This is available for owners and guests alike. Please limit your time if others are waiting. No wet swimsuits are permitted, and a list of computer etiquette rules is posted in the room. On the second floor, another computer system is available only for owners use.

**Wi-Fi**
Dolphin Beach Rentals has done very important upgrades on the existing Local Area Network and the Internet Service. Most significant is installation of Wi-Fi transmitters to provide wireless coverage throughout the resort, both outdoors and indoors.

The new equipment is business class which means that are design to be 365/7 up and running with the latest Wi-Fi 802.11n MIMO (Multiple Input, Multiple Output) technology which reach higher speeds and ranges of coverage than the G band that has been the standard for the latest years. All these will run on the infrastructure already in place some and additions were done to achieve the maximum performance.

The Internet was also upgraded in speed and technology with fiber optics. This is more efficient type of connection, and actually no other resort has this type of connection at this time.

Currently Dolphin charges $35.00 for hard-wired internet access that can be “turned on” in your residence. The $35.00 fee now includes a password for high-speed wireless access as well. Paying guests are supplied with a temporary password for wireless access.

**WEBSITE**

**Sign Up**
Please access our website at [www.laspalmashoa.com](http://www.laspalmashoa.com). There you will find an array of web pages to help owners stay informed. These pages include on-line documents including CCR’s and meeting minutes. An upcoming events calendar, tide calendar and information on obtaining a tankless water heater are also some of the informative pages on the site. Most importantly is the “Update Owner Info” page where you input your owner information to get registered for email and snail mail Invoices and notices as well as on line blog updates.
**Report a Problem**
Use the Work Order page to advise the management team of any *common area* problems that need to be addressed. It is not used for repairs within the confines of your condo. Those repairs must be handled by your rental company, yourself or your designated tradesman.

The “Submit a Problem or Concern” page is also used to advise management of any issues of an organizational or operational nature that need to be addressed by our management teams.

You may also use the Suggestion Box page to offer the HOA Board and the on-site management team of any ideas you have to improve our resort, or help save us money.

**Forum & Blog**
To view the forum, click on the ‘Discussion Forum” page. This will bring you to an interactive format to have open discussions with the other owners and share ideas, problems and contribute additional comments. To post on the forum you must register on that page with your email address before you are permitted to make a post.

The “blog” and “home page” is an ongoing publication of an update of events, projects and policy. You must be registered on the website to receive our blog, and you are welcome to make additional comments to each blog entry to voice your opinion on any topic at any time. These blog notices go out periodically via email to help keep owners informed of important items, issues and projects that the Board and on-site management are currently working on, or important notices that owners need to be aware of.

**HOA Meetings**

**General Assembly**
General Assembly meetings are held annually in January in accordance with article 28 of the CCR’s. The Agenda, and exact date and time will be posted on the website far enough in advance so that you may plan to attend.
If you cannot attend, please appoint a proxy to vote on your behalf. Proxy forms are available on our website for download. Please be sure to fill in both the SPANISH AND ENGLISH versions, for the proxy to be valid.

Typically these meetings involve budget approval, reports by special committees, and voting on major expenditures. Voting is based on the type of unit you own on a percentage basis, per our recent amendment to the CC&R’s. The voting percentages can be found at the end of this packet for your review.

Time is also allocated for an open forum for owners to express their ideas, opinions and grievances. At the conclusion, a Board Member up for re-election is also voted upon. Any owner may run for a Board position, and he or she should submit their resume prior to the meeting for posting on our website. There are three Board members, each serving a 3 year term.

The HOA Board had made a commitment to continue to find ways to work on cost saving measures and continue to bring down the owners common fees. At the same time, our goal is to improve the onsite services for all owners and guests.

The Board of Directors is grateful to all owners that have assisted the HOA and given their personal time in the past, present and future to make our community a better place. The more everyone can participate and be heard for the better good, we can improve Las Palmas even further.

**Board Meetings**

Board meetings are held quarterly. They are usually held in Peñasco or Phoenix. Homeowners are cordially invited to attend and listen to the deliberations and discussions of the Board. Owners however, are NOT participants:

*The quarterly Board Meetings are held in accordance with Project Documents Article 3 section 3.7.5, owners are welcome to attend the meeting and listen to deliberations and proceedings; provided, however, owners who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by the Board. Further, any portion of the meeting may be closed only if the closed portion of the meeting meets the exceptions as listed in 3.7.5. a sections (i) (ii) (iii) (iv).*

This is not a meeting for owners to ask questions, bring up problems or suggestions. Owners may simply attend, sit and listen to the Board discussion. If an owner has a question, concern, comment, or other issue they should email it to one of the Board members to present on their behalf prior to the meeting date. Those comments will be addressed at an open forum at the end of the meeting.
The Board discusses our budget progress to date, ongoing and upcoming projects, reports from on-site management, our Management Consultant, and the Committees. The meeting times, locations and agendas for will be posted on our website in advance.

Committees
Occasionally the Board will appoint homeowners who volunteer to special committees to report findings back to the Board. These committees are valuable in helping the Board make decisions on the viability of projects, proposals and other areas of improvement to our resort. If you wish to form a committee or be a participant, please let the Board members know at the quarterly meetings.

Building Representatives
Each building and villa has a representative assigned for purposes of reporting problems or issues that pertain to their particular building or villa. They also contact owners to remind them of General meetings, and often act as Proxy for absent owners for voting purposes.

MISCELLANEOUS

Tankless Water Heaters
When water heaters fail, this has happened with increasing frequency, extensive water damage results, not only in the original condo but also in the floors below. Drains have been installed in the upper floor condos, to help alleviate this problem.

Many owners have installed tankless water heaters that have been used over the course of the last several years with surprisingly good results. Please check our website for more information on this energy saving device. There is also a link to a You Tube demonstration that we prepared for your review. We highly recommend that all owners convert to a tankless heater when planning to replace their hot water heater tank.

Owner Financial Responsibilities

Property Tax
The City of Puerto Peñasco requires owners to comply in paying Property Tax on your Condo or Villa. Invoices are left at the HOA Office as well as inside the your property by putting it underneath the main door by a City of Peñasco Official.
Please note your Property Tax Number ("Clave Catastral" in Spanish) located at top-left side of the billing notice, highlighted in orange. This is the number you will need to provide city treasurer office in order to locate your property tax account statement.

This notice constitutes the first stage on the Legal process which Puerto Peñasco City - Office of Treasurer has already started in order to collect this property tax past due for some of the private properties inside Las Palmas.

Please contact ASAP the Peñasco City Hall, Office of city Treasurer in order to arrange Payment at:

011 52 638 108 2200 Ext. 127 or 149 (Property Tax Collection department)

E-mail: direccioningresos2009_1@hotmail.com

Las Palmas HOA Office is just conveying this information so all Inquiries should be directed to Puerto Peñasco City Government.

The HOA office is not and will never be involved in paying private property taxes to the city of Puerto Peñasco, so whatever you question may be, you need to contact directly City of Puerto Peñasco at the telephone number and/or e-mail provided above.

**Hacienda Tax**

During these difficult financial times governments are also feeling the current stress of needed funds to keep their operations fluid. Recently we saw how the City of Peñasco increases their efforts to locate, identify, and reach out to all persons that owed back property taxes and forced their hands by placing a demand on people that owed money to them.

Mexico is not like the USA in that they don't always send out bills and statements and many people found that out recently with the push by the city to collect property taxes owed to them.

The board has received information that the Hacienda (Mexican IRS), along with every other government agency has now taken an increased interest in all the resorts in Peñasco and will be conducting investigations and spot audits on rental property to confirm that all persons are paying their required rental taxes.

We strongly advise you again if you rent your property or you have a rental company that rents it for you make sure YOU have in your possession PROOF
that you have paid your taxes to the Hacienda and you have receipts in your possession.

If you have a rental company that rents your property or a representative make sure you are receiving from the company or representative a copy of the receipts that you have paid or the rental company has paid your Mexican Taxes on the profit you made from renting your property.

Don’t just sit back and think (Oh the Rental Company has the documents), you need to keep a copy in your files. Remember, the ultimate person responsible for the payment of taxes on your property is you, not your rental company and not your representative.

You need to keep documents and protect yourself. To renew your new FM3 or FM2 you must have this documentation showing you have paid your rental taxes.

**Important Bank Trust Info**

Most people are unaware that there are strict filing requirement for U.S. citizens that own land, businesses, or bank accounts or trusts in Mexico. The penalties for failing to file can be steep, even eclipsing the value of the assets held in Mexico.

Under US tax law the fideicomiso currently meets the definition of a "foreign trust". That means you are required to file Form 3520 when you initially establish the fideicomiso or foreign trust and for each year thereafter.

The Trustee is supposed to file form 3520A for each year of the fideicomiso's existence but in Mexico does not. Therefore under US tax law you as the beneficiary must file that form to avoid penalties being assessed against you personally. Form 3520 must be filed by the extended due date of your personal tax return. Form 3520A is due on March 15 of each year for the previous calendar year. You can apply for an extension of time using Form 7004. These forms must be filed for any foreign trust controlled by a US citizen or those of which a US citizen is the beneficiary. They are available on the IRS website.

**CC&R’s**

Included in the packet you received is a copy of the CC&R’s. We ask you not to just gloss over them but to please read them carefully so you know what your responsibilities as an owner are and the responsibilities of the HOA are.
Enjoy your time in Mexico!