

# LAS PALMAS Community Association Asociación de Dueños LAS PALMAS



## INSIDE LAS PALMAS ANNUAL NEWSLETTER

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### President's 2020 Message - Dan Dimovski

As we enter a new decade and leave the old behind, I want to take this opportunity to not only wish all Las Palmas owners and their family the very best for 2020 but the very best for Las Palmas and all of us in the next decade.

For those owners that are new to our community, on behalf of the HOA Board I want to welcome you to Las Palmas and hope the next ten years for Las Palmas are at least as good as the last 10 years.

This will be the 9th annual edition of our *Inside Las Palmas* newsletter. This will also be my last year on The Board and as HOA President. The newsletter was created



to provide annual information about our community and those that make our community what it is, including events, situations, challenges, achievements and accomplishments.

We do this annually so we can measure ourselves, our growth and our development. To look back and see where we stand as a community throughout the years in the hopes of taking advantage of the past to improve our present and future.

The time has come for me to move on into the future and to leave Las Palmas in the capable hands of the remaining board members and those that will join them. I want to personally thank all of you for your long-term support and the valuable trust you have placed in me to

represent you and to lead our community for over a decade.

Without your support and your

personal encouragement, none of my contributions and personal accomplishments for Las Palmas would have been possible. It is hard for me to imagine, I have served the Las Palmas community with loyalty and pride during four consecutive three-year terms.

It is time to give this great opportunity to others in our community. Change is important and change is necessary for Las Palmas as well as for me. I have been blessed with new opportunities that are making it harder and harder for me to serve in my position and to put in the time necessary to continue the ongoing work needed for Las Palmas to improve and move forward.

I have been a board member for twelve years and I have been privileged to have been elected by The Board of Directors to serve eleven of those years as the Las Palmas HOA President.

I could not have been able to personally do this if not for the great love I have for Las Palmas and the support from my loving family and friends that have had to endure the necessary sacrifices one must make to take on this type of commitment for as long as I have.

As the President, with your support and encouragement, our community embarked on a great journey, a journey that started with austerity then growth, development and achievement not seen with any other community.

I can honestly say, I have been a part of an especially successful movement to lead the Las Palmas HOA from the implementation of cost saving measures when our community needed it. Then forging ahead and investing with our own resources and available talent to the point where our association has been fortunate to be the recipient of valuable capital improvements and amenities that have added permanent net worth to our community and our personal investments.

Our improvements in the past decade alone, would be an amazing accomplishment, but could not be truly appreciated without the knowing whole story.

Las Palmas achievements were made over many years all the while we were operating each year for the past eleven years with less funds than our 2009 budget of \$739,747.00 per annum.

This kind of result would not be possible, had we not been fortunate to have the talent and wisdom of all those individuals that have contributed along the way and the great support and participation we have been receiving from the ownership at

our annual owners assembly meetings.

I have seen our attendance grow from not enough to reach a quorum in 2009 to our attendance in the past five years constantly achieving a majority owner presence with numbers of over 70% attendance.

Ownership participation is the true secret to our community's success. When the majority of owners are involved in the decision-making process, good things happen, and the community prospers.

In doing so we avoid the pitfalls that come from individual or minority group's agenda decision making, where the individuals and/or the minority prosper. Majority owner participation is the true secret to the Las Palmas success.

I leave knowing Las Palmas is a better place than I found it. I also leave Las Palmas knowing I am a better person because of it.

Thank you, my fellow co-owners and neighbors,

Dan Dimovski  
Las Palmas HOA President





## Vice President's 2020 Message- Harvey Kuntz

Fellow owners, 2019 had A LOT of challenges. This past November, I met with Osvaldo, our Administrator, Alex, our Operations Manager, and Marcos who is Head of Security.

I wanted to clarify what the goals and expectations are from each of them AND what they accomplished already along with future improvements and how they currently see their roles and responsibilities.

When the NEW BOARD comes in there is a laundry list of items that need attention THIS YEAR. Among them and in no specific order: all four tower elevators need a complete overhaul.

The East beach wall in front of Villa #1 must be counter sunk to protect our community from the sea.

Along that same wall going West the top of the tall section of wall is a hazard if anyone (kids) flop off of it, they could be severely injured. So, if we install that clear glass along the top (it must be kept CLEAN), that should fix it. Villa Top Railings must be repaired to keep everyone safe and we keep the Las Palmas signature iconic look. We have to continue to WISELY landscape, hardscape and paint what needs to be painted.

Lastly, the Condo Towers Hallways on EVERY floor - the walls across from the elevator doors need to be protected from being a foot rest. Currently they have been repainted several times without avail.

It was suggested to install a glazed tile that would eliminate the need to constantly repaint over the scuff marks and protect the wall. Any ideas from owners helps.

More positive input is always welcome. Thank You All.

Harve'



## Treasurers 2020 Message - Bonnie Horton

Hi Las Palmas Owners,

I want to thank those of you that have supported me this last year as your HOA Treasurer. I take this role seriously and will continue to do my best to make Las Palmas a community we can ALL be proud of.

This has been a year of positive changes. First of all, adding City Property Management to our Las Palmas family has been everything we hoped for and more. City Property is hardworking, responsive and has educated us on many HOA practices. They are quickly learning Mexican Law and how our CC&Rs work here in Mexico.

Another positive note was the purchase of 100 chaise lounges for our pools. If you notice, there aren't any brown weave lounges left standing. These new commercial lounges should last us for many years.

Concrete tables and benches were also added for additional seating and to encourage eating away from the pool and now occupies a lot of unused space.

The biggest negative I see is the financial loss we have incurred due to owners operating a rental business

outside of the Las Palmas HOA rental pool. When this happens, the HOA does not know who these guests are since there are many that do not check in at the HOA front desk area as they have their own key access. When this happens the HOA loses out on the necessary impact fees and does not know who is staying in our community for security reasons.

I have seen advertisements where these owners are advertising their units and charging their unsuspecting renters the impact fee yet not paying them to the HOA. They are stealing from us so they can make a better profit. They even print their own fake wristbands! This must stop!

This Board has worked very hard for the betterment of Las Palmas. There has been no so-called personal agenda. We have spent months researching and making the best decisions possible. None of these decisions were made lightly nor by one person. The Board has been unanimous.

Some of these choices put some much-needed repairs on the list for next year. I'm positive with the right budget we will be able to make the necessary repairs and make sure Las Palmas Community the best it can be.

Bonnie

## Take My Job Please! Succession Planning for Las Palmas

As you all know the Las Palmas HOA board of director job comes with many duties and responsibilities but does not come with a salary. It is a voluntary position that the CCRs allows the board of directors to be reimbursed for HOA business expenses only. The compensation you get for being on the board comes from pride in serving your community and willing to be open to learning and growing from the experiences.

There are many reasons why any organization is successful. For Las Palmas, one very important reason has been our good fortune to have the right people serving on the Board. People that have not only been capable but have a mind of their own and have acted to protect the best interest of the community. This can only be done by following the laws of the community and making changes when necessary - the right way by working for, and not against, the community. The rest of the job of board of director is all about on the job training and the experience you get with time. Time always proves that the "easy way" is usually not the best way. The right way is the best way. The longer you serve sometimes just means, the more you take on and the more you end up doing.

Knowing that I will be retiring, one of my last duties as President is to provide a succession plan to pass on my knowledge to those around me and to try to get the right people to participate in the HOA. In 2019 my focus was to assist in any way I could, to pass on as much knowledge as possible, to delegate as much as possible to our Vice President Harvey Kuntz, and to our Treasurer Bonnie Horton. Both individuals have been valuable to our community and have learned a great deal in the short time they have been in their positions. This included, decision making, budgets, financials, and operations.

With three new board members to be elected on January 25, 2020, it is also important that Las Palmas have the necessary resources to assist this larger group of board of directors. City Property Management was retained in 2019 to provide this assistance and make the new larger board of directors' job a bit easier in areas of Financial and Administrative services. With so many new directors entering the Las Palmas HOA roles, there will surely be a learning curve for many. In 2020 it will be more important than ever for our community to elect the right people to take Las Palmas to the next level in the next decade.

The other part of a succession plan is to be open to any owner that is interested in volunteering to serve our community. At the time of this publication, based on my experience with our community, the following owners, in alphabetical order, are all owners that I do not know on a personal level, I have not actively sought out, but are owners that have been communicating with me and proven to me that that they are individuals that would best be suited for the Board of Director position.

**David Frenznick**  
**Norma Gaona**  
**John Hudson**  
**Julian Nabozny**



These are all individuals I endorse whole heartedly and believe their service to the Las Palmas community would continue to allow Las Palmas to grow and improve. It is my hope that you will support these individuals at our next board of directors election on January 25, 2020, and you do so only if you also believe that they would best represent Las Palmas. This means taking the time to gather as much information about these candidates so that you can make the best possible decision.

Finally, in order to vote every owner must make an effort to attend our owners meeting either in person or by proxy. Please make your voice be heard that will echo into the next decade and vote for who you believe are the RIGHT people for the jobs.

If you can't attend, please send your proxy to City Property Management: [brian@cityproperty.com](mailto:brian@cityproperty.com). He will be attending the meeting and see to it that your vote is counted!

Dan Dimovski

HOA President

**In alphabetical order, the following owners have put forth their resumes which are posted on our website**

David Frenznick

Jackie Jeklinski

Werner von Borries

Norma Gaona

Julian Nabozny

Carmen Winkel

John Hudson

Leroy Tapia

Tom Zeier

**Click anywhere on this list box to see candidates resumes**



## Looking Back at A decade of Achievements and What was Accomplished

To set goals for our community in the next decade, it is important to know what our community has achieved and accomplished in the last decade. The decade of a three-member board has been able to keep the financial budgets below the budget of the previous decade prior for the past ten years.

Below is the budget comparison from 2009 all the way up to 2019 with many years substantially less, but always below the 2009 budget. The other amazing achievement in the past decade has been the ability for the HOA board of directors to provide added improvements and amenities that have been completed and financed from savings and surplus due to great management. These achievements and improvements are too many to mention, and we thought that posting a picture of each would give us all something to be proud of and also set a standard for our future in the hope that in the new decade to come we can continue on the same path.

May the next decade be the roaring 20's for Las Palmas!!!!

HOA Board of Directors 2010-2019

### LAS PALMAS HISTORY FEES

DESCRIPTION	UNITS	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE
UNIT TYPE:		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 BEDROM	68	223.00	193.00	189.00	175.00	164.00	164.00	182.00	173.00	198.00	198.00	206.00
2 BEDROOMS	84	289.00	232.00	230.00	212.00	199.00	199.00	220.00	210.00	240.00	240.00	250.00
VILLAS	20	648.00	646.00	640.00	589.00	556.00	556.00	613.00	585.00	670.00	670.00	697.00
	172											

### LAS PALMAS HISTORY BUDGETS

BUDGET	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	737,747.00	625,308.00	599,922.00	598,000.00	570,000.00	598,000.00	648,000.00	619,190.00	683,886.00	683,886.00	737,666.00



Ying Yang Jacuzzi and rear pool area



Alumimum and Glass Raiings replaced rusting wrought iron



Uno Mas Bar and Multipurpose room created by enclosing clubhouse upper deck



Completed divided pool with railings



Our showcase improvement negative edge beach pool with swim up bar



New Lobby with Travertine Tile & owners services office



Lighting of Clubhouse



Rooftop Sign on Delphin Building



Cable-TV Internet Control Room for high speed internet and TV service



Commercial Laundry Equipment added to new laundry room



New Entrance Sign with Tri Country Flag Poles



Two slides added and pool divided to save heating expense



Outdoor dining and expanded restaurant



First and only double water slide in Peñasco!



Our crowning achievement negative edge pool



New Taqueria and coffee shop



Waterscape and dolphins now adorn our front entrance



Upper level clubhouse now enclosed Uno Mas Bar



Swim up Bar for negative edge pool



New kids turtle slide



Created a Spa Experience



New larger restaurant created



Professional Training of Security Guards

# Looking Back on 2019

## **Three to Five Member Board Transition**

2019 was a year of preparation for a different Las Palmas entering the new decade, as Las Palmas prepares to change from a three-member board to a five-member board of directors. This requires great preparation from a legal perspective, a different protocol of board members and different mechanics of how The Board will operate.

## **City Property Management**

In 2019 our HOA retained the HOA Financial and Administrative services of City Property Management to replace our U.S. administrator, Lynda Saveski, and to also add additional resources and services necessary for a five-member board. This required a great deal of effort from all involved.

Changing from one financial and administrative service provider to another requires a long transition period. City Property Management is located in the Phoenix area and in addition to Financial and Administrative services they have conference rooms for Las Palmas HOA board meetings as well as business hours for Las Palmas inquires regarding their HOA account information.

City Property Management also offers their professional Association services that include their assistance at monthly board meetings and the services for hosting and assisting in the Annual owners meeting, as well as a smart phone app, to keep you easily connected.

They are well versed with meeting rules of order (Robert's Rules of Order) They will provide a

representative to oversee and preside over our owners' meetings in the capacity of the "President of the Meeting".

## **Onsite Operational Matter**

In 2019 Las Palmas started to feel the wear and tear of age more than ever. Our community is over fifteen years old and the change in climate with the high tide getting closer to our community beach erosion is an ongoing matter and we are constantly reinforcing our beach area and recovering from the storms that seem to get stronger and stronger.

The sea causes erosion and mother nature is also impacting our concrete villa rails. Other areas where we have identified the need for major repair or replacement is with our elevators and our water filtration system. These and other areas are all matters that began to get addressed in 2019 and continue to be dealt with in 2020. Keep in mind, all resorts on Sandy Beach have faced and continue to face these same problems.

These matters fall under capital expenditures and our community sets aside capital reserves to deal with them. It is important to note that our community ages each year and we must prepare for different and sometimes unpredictable challenges.

## **Added Operational Costs**

In 2019 operational costs increased in areas outside of our control. The cost of water provided by the city of Puerto Peñasco and transported by Sandy Beach Resorts has increased. The cost of annual fire department inspections for all resorts has also increased. The City of Peñasco is looking at a city tax for ALL the resorts. In general, 2019 was a year where on average, all costs have gone up.





## OWNER MEETING & ATTENDANCE

Each year The Board looks forward to attending our Annual Owners Meeting. This year is no exception. Although we are owners in a community that is located in Mexico, and HOA laws and concepts are different, we are still participating in a democracy that has similarities.

Per our CC&Rs all owners come together to discuss our agenda items put forth based on feedback from owners and make decisions that will give the HOA the direction it needs for 2020.

This year we will have a five-member board with three openings. These board of director positions will be terms of 3 years, 2 years and 1 year. The terms will be filled based on highest to lowest number of

votes. City Property Management will oversee the administrative parts of the meeting and voting procedure.

At the first Board of Directors meeting immediately after the owners meeting, the new five-member board will formally elect the positions of President, Vice President, Treasurer, Secretary and "At Large" positions.

The Board urges those of you that have the time, dedication, and commitment to come forward to carry on this work.

This year's Owners Meeting, as usual has many items on the Agenda derived from

owners' feedback that require your attention and understanding. Please take the time to read the notification and agenda sent to you and educate yourselves prior to the meeting.

With the addition of City Property Management, we will be receiving assistance in the administration of the meeting and a representative will oversee the meeting and follow the rules and order of the agenda. The HOA focus at our meeting will be to follow the Agenda as per our CC&Rs and to stay on track in order to conclude our HOA business efficiently, effectively, and professionally.



As a reminder, the check-in and registration process prior to our meeting is an important part in determining the validity of legal ownership and good standing required for owners to participate

as per our CC&Rs.

Please ensure that you are the legal owner, or for those owners in fractional ownership you are the legal representative, and you are current with your regular assessment payments and any other assessments, penalties, fines, etc., that are delinquent which may it may affect your ability to participate in this democratic process.

Being prepared will not delay our meeting and we can finish the HOA business in a timely fashion.

## Message from our Quality Control Supervisor



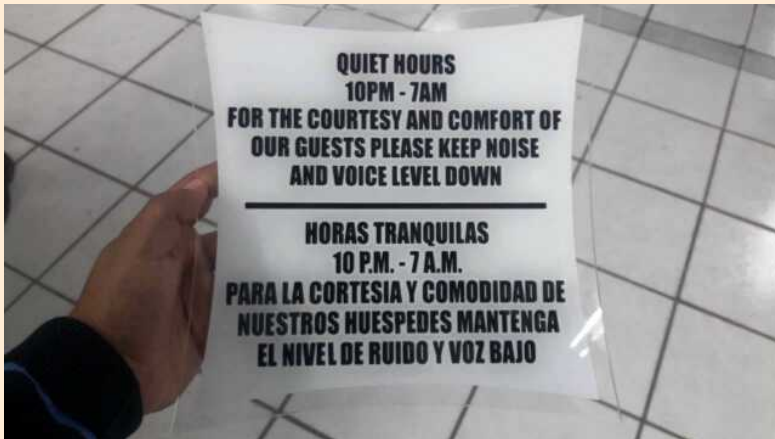
I am really happy to work for Las Palmas Community, and HOA staff members, we have a very good team.

The HOA Team will continue to provide maintenance and cleaning to the common areas, as well as the landscapes, exterior of villas, pools, spas, beach cleaning and exterior of the buildings. Much work to do still!! (see photos)

We will continue to attend work orders from the HOA web page.

Cordially.

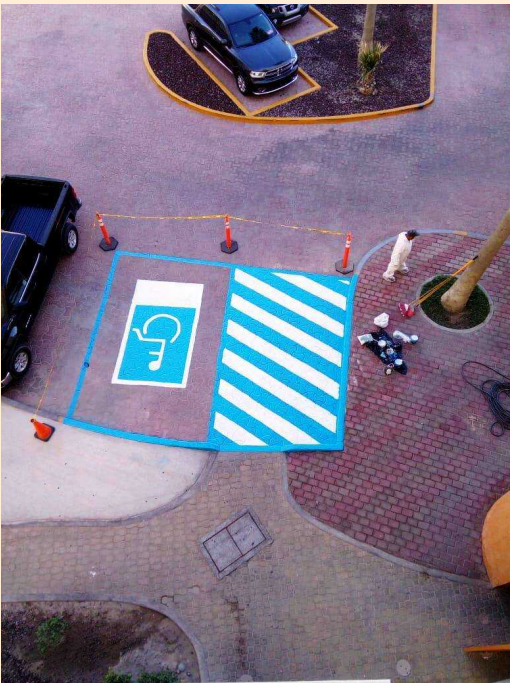
L.S.I.A. Alejandro Antúnez Soto



Installation of signs in all 4 buildings for noise and voice levels down in between night hours



Curb repair & paint Touch Up On curbs



Re-painting of parking lot signs



Maintenance and Paint Touch Up on Villas



**Six Month Plan to Beautify Landscape**



**New concrete tables between towel shack and beach pool**



**Repair of Pillars of the Villas**



**Repair of Pillars and Paint Touch Ups**



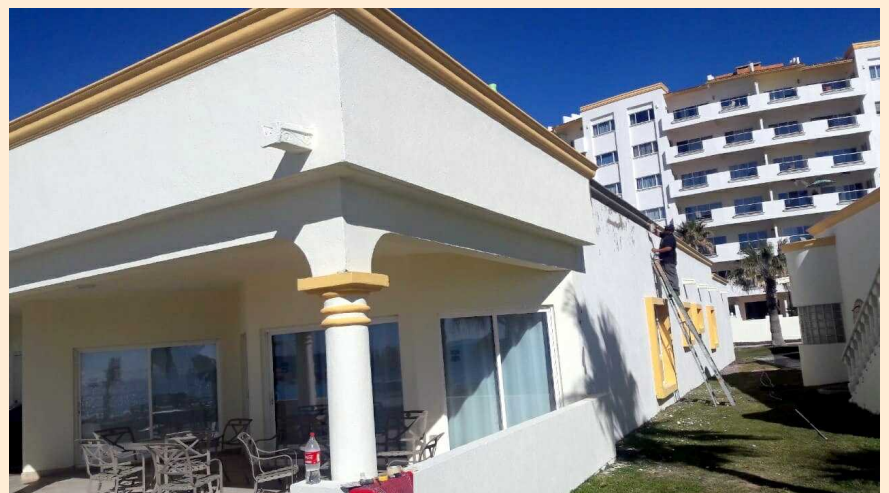
**New pavers at Delphin & Baja**



**New LED Lights Installed in The Pathway Going to the New Pool**



**Fresh Paint Everywhere**





**Baja Jacuzzi and Spa Tile Grout**



**Baja Pump Room Ceiling Repair**



**Before Tiles Replaced**



**After Tiles Replaced**



**Baja Pump Room and Waterfall Repair**



**Baja Pump Room and Waterfall Repair**



## GUARD HOUSE SECURITY

Our electric front gate finally gave up and had to be replaced. The new gate system is considerably more sophisticated. It has a breakaway arm in case some one tries to crash through, eliminating any costly damage. It also takes photos of incoming vehicles, passengers and license plates. This will give us much better control over who enters the resort, targeting unauthorized guests, and which guard let them in, and at what time.



The computer will log entry and will identify owners, guests, vendors and reservation numbers that can be cross checked that all impact fees are being paid. This added measure of security will actually speed up the check in process for guests waiting in line to check in.



**HACIENDA**  
SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO

## Hacienda SAT (Mexico IRS) Targeting Scofflaws.

In addition to depriving our HOA of much needed impact fees, rouge owners who skirt the tax system now face possible audits and fines from Hacienda.

The Hacienda has hired 800 agents to scan websites, postings, and advertisements for rental properties in a crackdown on tax evaders throughout Mexico. Most rentals are beachfront properties listed on social media or AirBnb, making it easy for the government officials to find properties being used as a rental. It is not unheard of for authorities to base taxes and penalties on a perceived rental income by using the area's occupancy rate, which will be much more expensive in the end. Those individuals who don't pay taxes or fees are undercutting pricing of owners using legitimate rental companies, and now may be subject to severe penalties by the Mexican Government.

Quote:

- *Anyone who generates income MUST declare to SAT and if one decides not to he faces FINES AND JAIL as per the law.*
- *In the case where this is a foreigner, the DEPARTMENT OF IMMIGRATION will apply sanctions up to expulsion from the country.*
- *The Secretary of Economy (Secretaria de Economia) will also apply fines. If an FTD contract (Contrato de Fideicomiso Translativo de Dominio) is the document providing Rights on the property the person could lose said Rights because of the fraud and non-respect of the obligations one has in Trust contract.*
- *The property can be seized and put on the block for sale, and the violator will lose their entire investment.*

## NEW POOL LOUNGE CHAIRS

The Las Palmas HOA has finally received much-needed chaise lounge chairs for our pools. And as you can see from the top photo on the right, we caught our President, Dan Dimovski already utilizing them as he is getting ready for "retirement".

After much research, we have selected resort grade Tropitone brand, used in hotels and resorts all over the world.

Tropitone® Elance EZ SPAN™ Seating Collection features the exclusive EZ SPAN™ straps. EZ SPAN™ strap segment seating has the durability of the classic vinyl strap seating but takes the design to another level. The ribbon design segments add vibrancy to the classic strap seating.

They are commercial quality, constructed of heavy-duty aluminum, so they will not rust or corrode, and are extremely strong. They do NOT require cushions and are easy to clean with our pressure washers.

They have a Parchment color strap with a brown powder coated aluminum frame. We chose the Parchment color to give a European look, which is cooler to sit on and will not show bird poop as much as other colors. We can add colorful umbrellas at a later date. The chairs are made up of replaceable segments which make them easy and inexpensive to repair.

Kudos to our treasurer, Bonnie Horton for her extensive research and negotiating a great off season deal for Las Palmas.



### EZ SPAN™ SEATING REPLACEABLE SEGMENTS



This revolutionary system, designed by Richard Holbrook, allows for a simple way to maintain poolside furniture, on-site, in just 3 easy steps. The wide surface area of the design also means greater comfort for guests. Its attractive shape will enhance any property's image.

## Adult Pool Policy

At the owner's assembly meeting on January 26, 2019 a proposal was passed by the majority of owners attending and it was voted to make the new beach pool area that includes the outside negative edge beach pool, the inside beach pool, and the Ying Yang Jacuzzi's as **ALL** adult only.

As expected, the HOA is having a very difficult time enforcing the rule and because of the sheer size of all three beach pool areas, the HOA lacks the resources to properly enforce this policy. The situation became more serious as the summer high season progressed and more and more families visited our resort. The matter worsened as guests are now starting to take the time to write negative reviews on travel websites and social media because of the adult only policy last year. On the same note, it has been brought to the attention of the Board that many owners misunderstood the scope of the adult only policy and thought it to only include the negative edge side of the beach pool.

The front half has always been designated **ADULT ONLY** for safety reasons. This has created much of the confusion we are experiencing. The area depicted in the below photos is what is being voted on.

Complaints about the entire pool being adult only are impacting the guest experience and creating ill will and has caused a decrease in guest satisfaction. To help you make a better decision, the below link will take you to the posted negative reviews posted on social media and travel partners, AirBnb, HomeAway, VRBO, etc. [Click here to read negative adult pool reviews on social media](#)

This year the agenda item is much clearer and reads as follows:

***Proposal 1 - Adult Only Pool Policy - Feedback from owners to re-visit proposal so there is no confusion. The negative edge side of the beach pool has been designated as adult only due to safety reasons. This negative edge pool is not part of the proposal. Owners will be asked to vote for adult only or family on the back pool and the Ying Yang Jacuzzi.***

- i. Back pool behind negative edge pool (Adult) or (Family)***
- ii. Ying Yang Jacuzzi (Adult) or (Family)***



# CRUISE SHIP ARRIVAL FINALLY A REALITY

Although she is an older ship, *The Astoria* has a grand and handsome profile with a traditional walk around promenade deck. At 16,144 grt *Astoria* is a classic, beautifully restored ocean-going cruise ship. She carries just 550 adult guests (and 200 crew), so she offers a delightfully intimate cruise experience.

*Astoria* was originally built as a trans-Atlantic ocean liner and in 1994 the vessel was virtually stripped to her hull and re-constructed, at a cost of US\$150 million, and restored as a classy, beautiful more contemporary cruise ship, and again as recently as 2013.

The Sea of Cortez cruises are eleven days, and you may see her anchored off Las Palmas Beach if you arrive here before the owners meeting. The ports of call are all exciting stops and hopefully cruise ships will become a more common sight.



Date / Time	Port
09 Jan 17:00	<b>Departing from Puerto Penasco, Sonora Mexico</b>
11 Jan 05:00	<b>Topolobampo, Baja California Mexico</b>
13 Jan 08:00 - 17:00	<b>Mazatlan, Mexico Riviera</b>
14 Jan 09:00 - 19:00	<b>Cabo San Lucas, Baja California Mexico</b>
15 Jan 09:00 - 20:00	<b>La Paz, Baja California Mexico</b>
16 Jan 08:00 - 18:00	<b>Loreto, Baja California Mexico</b>
17 Jan 08:00 - 18:00	<b>Santa Rosalia, Baja California Mexico</b>
18 Jan 08:00 - 18:00	<b>Guaymas, San Carlos, Mexico</b>
20 Jan 07:00	<b>Arriving in Puerto Penasco, Sonora Mexico</b>

