

DUNLYN ACRES COUNCIL OF CO-OWNERS, INC.

INFORMATIVE ASSEMBLY MINUTE OF FEBRUARY 24 OF 2018

On Saturday, February 24, 2018, in the Bluebonnet room at the Plantation offices located at 600, Plantation Dr. Pharr, TX., The Dunlyn Acres Council Co-Owners, Inc. An informative Assembly was held, at 11:05 A.M the meeting began, with the physical presence of the members of the Board of Directors, César Cavazos, Leobardo Garza, Amelia Valdez and Ana M. Estévez Vega, Rosa Maria Ayala administrator and Joe Espinosa, as well as the owners and tenants attending this event.

The meeting was held according to the agenda that is attached to the present minutes together with the call (1), sent to all the owners of Dunlyn Acres Council Co-Owners, Inc.

I. LIST OF ASSISTANCE

Administrator Rosa Maria Ayala initiated the meeting by welcoming all the owners and tenants present, requesting that they be recorded in the attendance list attached to this act (2).

II. APPROVAL OF THE MINUTES OF THE INFORMATIVE ASSEMBLY OF NOV-25-2017 AND THE BOARD OF DIRECTORS OF JAN-18-2018

Rosa Maria Ayala informed that the aforementioned minutes are approved and published on the website of Dunlyn Acres Council Co-Owners, Inc.

III. RATIFICATION OF THE SECRETARY OF THE BOARD OF DIRECTORS

It gets under consideration of the Assembly attendees the ratification as a Secretary of the Boards of Directors Ana M Estevez Vega owner of the apartment 27-E, who supplements since August 07-2017 to Monica Lara, Lara sold her apartment. With a total of 20 votes Ana Estevez was ratified as the secretary of the Board of Directors. Votes are attached (3).

IV. GENERAL REPORT OF THE BOARD OF DIRECTORS

A. In the use of the word, President Cesar Cavazos, thanked the Residents of the Subdivision, the Administration and the members of the Board for their achievements and asked everyone to continue collaborating to continue improving the facilities and the welfare of all residents.

B. Next, Treasurer Leobardo Garza, reported in detail all the advances, improvements, income and expenses and situations that were presented during the first year of the new Board, which is described in the annex (4)

V. PROJECTS AND VARIOUS MATTERS

Leobardo Garza informed about the following projects that are pending to be carried out:

A. Special assessment to repair roofs.

B. Purchase of benches for the grills.

C. Repair of the wooden sides of buildings.

- D. Repair cracks in the pools and install handrails.
- E. Repair and paint floor of the grills.
- F. To repair the fallen mesh from the north side adjacent to the school.

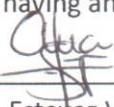
VI. RENEWAL OF THE ADMINISTRATION CONTRACT WITH QUICK PROPERTY INVESTMENTS

It is reported that the Administration contract was renewed at the same cost for one more year.

VII. QUESTIONS AND ANSWERS

About this report the attendees asked some questions, which were answered by the members of the Board.

Without having another issue to discuss, the Informative Assembly was concluded, at 13:15 hours.



Ana M. Estevez Vega
Secretary

Pharr, Tx. February 4th, 2018

DEAR HOMEOWNERS:

We would like to invite you to the Annual Meeting that will take place on:

DATE:

Saturday, February 24th, 2018

TIME:

11:00 AM

PLACE:

Bluebonnet Salon at Plantation Office located at 600 Plantation Dr. Pharr, Tx.
78577

General subjects will be discussed according the following attached schedule.
Your presence will be greatly appreciated.

Sincerely,

Board Members
Dunlyn Acres Council Co-Owners, Inc.

A handwritten signature in dark ink, appearing to be "D. H. H.", is located in the bottom left corner of the document.

DUNLYN ACRES COUNCIL OF CO-OWNERS, INC.

**MEETING TAKING PLACE ON FEBRUARY 24TH
SCHEDULE**

1. ATTENDANCE LIST.
2. PREVIOUS ACT APPROVAL AND THE LAST BOARD OF MEMBERS MINUTE.
3. RATIFICATION OF THE BOARD OF MEMBERS SECRETARY.
4. BOARD OF MEMBERS GENERAL INFORM.
5. PROJECTS AND GENERAL TOPICS.
6. QUESTIONS AND ANSWERS.

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DUNLYN ACRES COUNCIL OF CO-OWNERS, INC.

ANNUAL ASSEMBLY

FEBRUARY 24, 2018

I. GENERAL REPORT OF THE BOARD OF DIRECTORS

A. SUMMARY OF THE DELIVERED BY THE PREVIOUS ADMINISTRATION.

1. Despite the insistence, the previous President Alfredo Kuri, breached his promise of signing a formal delivery of the subdivision.
2. The only thing that was received from the previous Administration was the following:
 - a) Invoices and Relationship without detail or signatures with the debts of existing condominium owners.
 - b) Various keys without detail or identification.
 - c) Sheet with the debts in legal collection of 5 owners without indicating the procedural status of the collection and that their management had more than one year in detention.
 - d) Checkbook with a balance of \$ 1,450.61, but with much higher payment commitments; (Insurance, Light and water utilities, etc.).
3. Documentation and information that was not delivered by the previous Administration:
 - a) They did not provide financial accounting information of passive assets, payment commitments to suppliers, etc.
 - b) No accounting records files.
 - c) No billing documentation and payment receipts for maintenance and insurance.
 - d) No assets were delivered as machines or tools or office equipment, or accessories, spare parts, etc., owned by the Branch.
 - e) Without delivery of a directory with telephones and emails for location of Owners.
 - f) No information about pending, maintenance processes, identification of facilities, in addition they do not express aspects or urgent situations to meet.
4. Various claims of several owners were answered for not recognizing the debt reported by the previous Administration, arguing in some cases that they made the payments in cash or that they did not receive the corresponding voucher.
5. Other irregularities of the previous administration.
 - a) From a review carried out, shortages were detected between the income and expenditures of the last 5 years, without considering the receipt of cash payments received.

- b) Former Past President, Alfredo Kuri, on behalf of the Board of Directors, made a bonus of \$ 17,000.00 dollars to an Owner on October 20, 2015.
- c) Due to lack of supervision and adequate controls from the previous Administration, people outside the Condominium were introduced using the pools improperly.
- d) They kept registered the Condominium with Lucrative Activity, paying taxes and Accountant, and must be Non-Profit.

6. The services of a person who has an open investigation about the irregularities of the previous Administration were contracted.

B. IMPROVEMENTS AND MAINTENANCE PERFORMED.

- 1. Purchase and installation of motors for the entry and exit doors of the Condominium, attending periodic arrangements.
- 2. The trees and palms were pruned.
- 3. Warning signs were posted at the entrance and at the swimming pools, that Dunlyn Acres is Private Property, so that no strangers enter and do not make an improper use of the swimming pools, and signs were installed in the garbage area where they should not place, appliances, furniture, rubble, tires or anything similar.
- 4. The damaged grid was repaired since the previous year.
- 5. Broken storm sewer was repaired.
- 6. There was a need to repair various damaged water pipes.
- 7. An automatic garden irrigation system was installed.
- 8. The entire lighting system was repaired and the entire breaker box of the first section was replaced, and the lighting schedule was changed.
- 9. The swimming pools that were abandoned were rehabilitated, painting them by covering cracks and repairing the installations and changing filters.
- 10. Weekly maintenance service is given to the pools, to keep them in good condition.
- 11. In the 1st section pool the motor was burned. It was replaced.
- 12. The showerhead in the first section was replaced.
- 13. The kiosks were repaired, putting the missing bricks on the wall.
- 14. Revision and Repair of electrical installations replacing the luminaires in poor condition.
- 15. The lamps of the tennis courts were exchanged for savers ones.
- 16. The lighting company was changed to reduce its cost.
- 17. We have the service of two part-time people with which we have a very substantial savings in general maintenance (cutting of grass, maintenance of the irrigation system, lighting, painting, cleaning, etc.)
- 18. Acquisition of different tool. (Power washer, Compressor, Blower, Weed eater, Ladder)
- 19. A base was built and a box with mailboxes that it had been dropped was installed, and all mailboxes were identified with donated labels.
- 20. A website was created where you can check the income and expenses, the minutes of the Board, Regulations, submit suggestions, complaints, etc.

21. The room in the entrance was repaired and refurbished, so that security cameras can be installed to serve as office and supervision.
22. Remodeling of the entrance to the subdivision and with the support of the Pinchuk Family of Apartment 25-D, illuminated letters were obtained at very low cost.
23. At the entrance of the Condominium, walls for crash protection were installed.
24. To avoid the introduction of strangers to the Condominium, personalized entry codes were provided for each owner and the general key for public services was replaced.
25. Paint and repair of sidewalk strips with their corresponding signs asking to respect the drawers of each Resident and not to park in prohibited places.
26. Video cameras were installed in strategic locations in the condominium for security and supervision purposes.
27. Black mold was cleaned from the bricks of the buildings.
28. Cleaning of water gutters in the parking area and storages.
29. Lamps were installed on the sides of the entrance room for more lighting in the entrance keyboard part and the video cameras, which were donated by the Pinchuk Family of Apartment 25-D.
30. The grass is pruned with opportunity.

C. WORKS AND MAINTENANCES IN PROCESS.

1. Replacing the wooden fence by mesh fence in the pools.
2. Painting and repair of balconies with charge to the owners.
3. Paint and repair of parking stops and storage area.
4. The grass is being applied fertilizer that contains elements that will eliminate the weed.

D. REDUCTION OF EXPENSES.

1. Reduction in maintenance costs of: (Swimming pools, Cutting grass, Cleaning, Etc.)
2. The payment for office rent was eliminated.
3. The Tax payment was reduced.
4. The payment of an Accountant was eliminated.
5. The expense was reduced by the Administration.
6. It was possible to reduce the external insurance cost of the departments from \$505.00- \$ 550.00 dollars of the year 2016 to \$ 450.00 in the year 2017 of our Administration.
7. In most cases, we ask at least two estimations from service and maintenance providers to obtain better prices.



E. OTHER ACTIVITIES.

1. We have regular meetings with the lawyers to monitor the legal collection that it was stopped more than one year by the previous Administration.
2. Mr. John Robert King was hired, to have a second choice of legal collection, with the advantage of not disbursing any money, since he charges his fees when he recovers the debts.

3. With much effort and using diverse methods, it was possible to locate owners and obtain a census with their data of emails, addresses and telephones, necessary for communication and collection.
4. The tax regimen from a lucrative company to a non-profit was changed.
5. An internal bylaw was elaborated and disseminated with its penalties and sanctions (pools, garbage, pets, parties, etc.) that it will also have to be subject to the people who rent, with responsibility of the Owners.
6. Official colors were defined to paint the apartments.
7. The prohibition of cash payments has been insisted. In the case of fees charged by the bank for card payments or transfers, these will be passed on to the Owner.
8. The collection policy was specified: up to three (3) months past due administrative collection and from four (4) the lawyer is taken over for legal collection.
9. The claims of several condominium owners were met because they did not recognize their debt indicated by the previous Administration.
10. A Guard service was hired to monitor the subdivision on weekends.

F. RENEWAL OF THE ADMINISTRATION CONTRACT.

The renewal of the Administration contract with Quick Property Investments was negotiated and obtained with Mrs. Rosy Ayala at the same monthly cost.

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G. INCOME AND EXPENSES MARCH 2017 / JANUARY 2018.

There is an automated system where the accounting movements of income and expenses are recorded and documentary verification is archived integrating a monthly package that is available to the Owners of Dunlyn Acres. The income and expenses are posted on our website and the Accountant Joe Espinosa can clarify any questions about it.

Income and Expenses March 2017 / January 2018

INITIAL BALANCE IN THE BANK FROM PREVIOUS ADMINISTRATION \$ 1,450.61

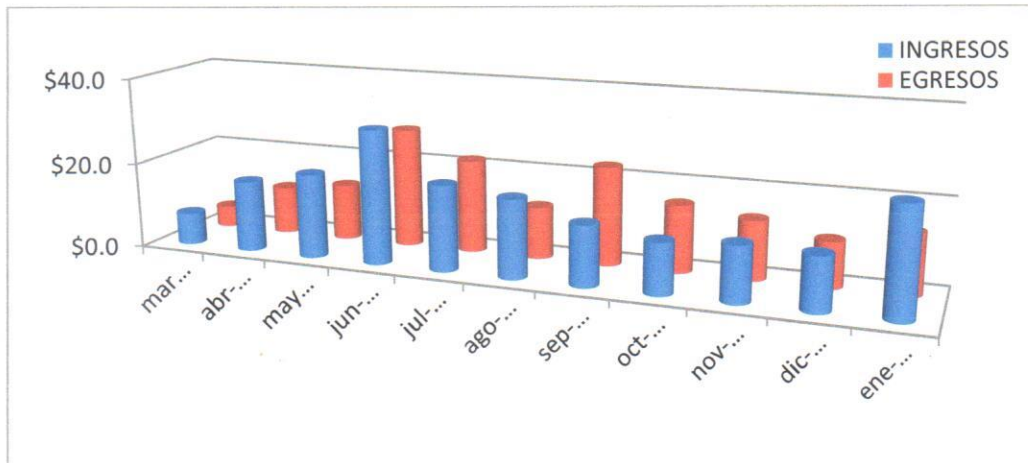
<u>MONTH</u>	<u>INCOME</u>	<u>EXPENSES</u>
mar-17	\$7,360.94	\$4,886.49
abr-17	\$16,469.98	\$11,139.01
may-17	\$19,687.12	\$13,132.27
jun-17	\$31,089.61	\$27,697.98
jul-17	\$19,909.63	\$21,763.80
ago-17	\$18,211.50	\$12,113.68
sep-17	\$14,030.99	\$22,880.75
oct-17	\$11,787.00	\$15,648.25
nov-17	\$12,884.00	\$13,733.10
dic-17	\$12,387.15	\$10,623.61
jan-18	\$24,687.33	\$14,004.84

FINAL BALANCE IN THE BANK ON JAN-31-18 \$ 22,332.08



Income and Expenses March 2017 / January 2018

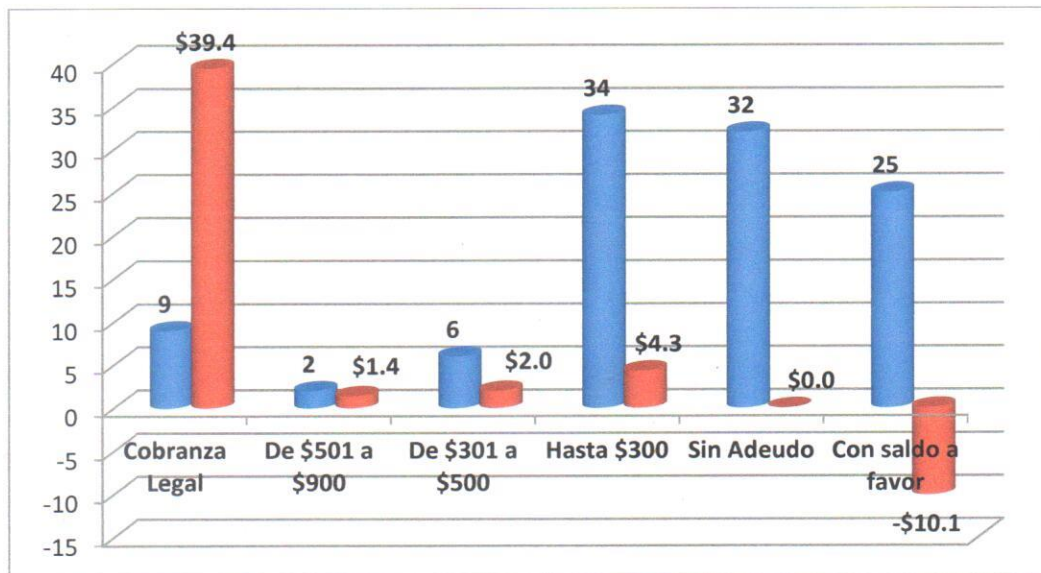
INITIAL BALANCE IN THE BANK FROM PREVIOUS ADMINISTRATION \$ 1,450.61



FINAL BALANCE IN THE BANK ON JAN-31-18 \$ 22,332.08

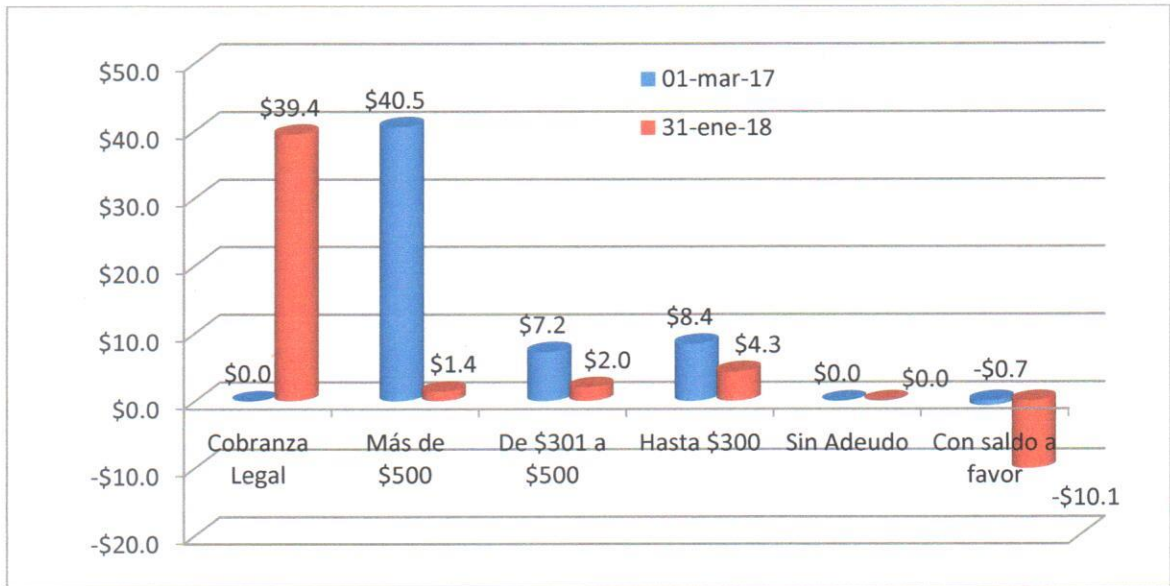
H. DEBTS FOR MAINTENANCE AND INSURANCE

Total debts \$ 36,984.47 of the 108 Owners by classification as of January 31, 2018. (Thousands of Dollars)

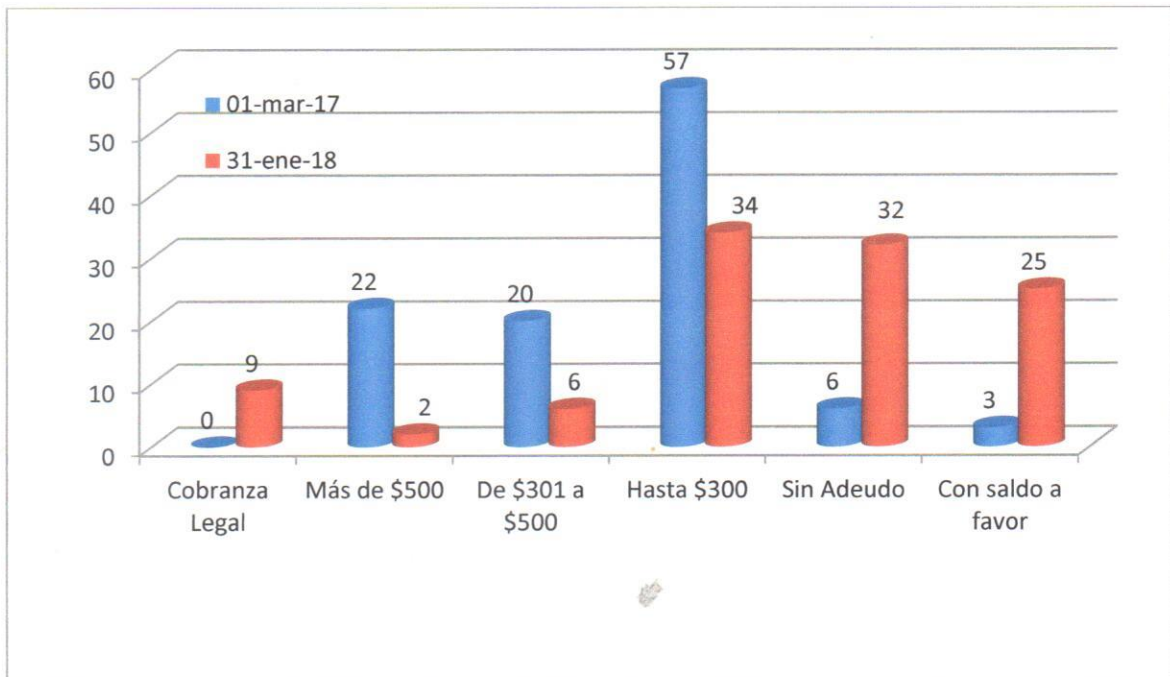


I. COMPARISON OF DEBTS AND DEBTORS.

1. Comparison of the Debts by classification 01-Mar-2017 (Beginning) and 31-Jan-2018.



2. Comparison of the 108 Debtors by classification 01-Mar-2017 (Beginning) and 31-Jan-2018.



J. RECOMMENDATIONS.

1. Owners who sell their apartment are advised to notify the Administration and make the sell through The Title House to avoid later problems.
2. In the case of leasing, according to the internal Regulation, Owner must notify the Administration, and provide a copy of the contract and the internal Regulation signed by the landlord who must comply with it.
3. The access codes must be changed in the case of new owners or new landlord, requesting the change to the Administration.
4. Report the luminaries that burned to replace them.
5. In garbage containers should not place, appliances, furniture, rubble, tires or similar.
6. It is recommended to adhere to the Internal Regulation and avoid the application of sanctions, since several complaints from neighbors have been addressed. (Badly parked vehicles, trash, loud music or out of hours, clothes hanging on balconies, toys or odds and ends outside the apartment, etc.)
7. It is recommended to cover the maintenance with opportunity since it continues managing the administrative and legal collection to all the debtors.
8. When you get out your pets from your apartment, they must always be accompanied and cared by their owner and, if necessary, the owner is responsible for collecting and cleaning the excrement. (Avoid penalties)
9. Only ornamental plants are allowed in the front and back gardens that are not tall and do not damage the hydraulic.
10. Many cats have proliferated, (pets) so it is recommended not to feed them in the gardens and adhere to the Internal Regulation.
11. In case of emergencies, complaints or suggestions, report them to the Administration to the telephones and e-mail that appear in the entrance of the Subdivision.