

El Cantil

Administrative Report
3rd Quarter 2015
Aug and Septiembre



VC and Homeowners,

This report describes the work, projects and finances during the past quarter and is divided into three sections:

1. Important Information and Updates
2. Building Maintenance
3. Financial Report

IMPORTANT INFORMATION AND UPDATES

Important Contact information:

El Cantil CBP Administration
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Transition Update:

The transition has been smooth. Here are a few details:

- ECC Cozumel AC - Non-profit company to manage your HOA assets was created in record time. Public Registry has finished registering both the AC creation and July Regime assembly minutes.
- RFC (Mexican Tax ID) and IMSS Employer ID were obtained.
- We have hacienda's "Firma Electronica" and are working to get setup to provide Facturas (Legal Mexican invoices) for all those who request them.
- New bank accounts (CiBanco and Monex) have been created and money was transferred to those accounts.
- 10 Employees were hired directly by ECC Cozumel including the following:
 - Cleaning Staff
 - Doormen/Security
 - Pool Attendant
 - 2 Maintenance Persons that know the building well and have different skill sets.

Balconies:

Please remember and remind guests to not hang dive gear, towels, etc. on balcony railings. Security guards will knock on doors of people who forget.

Pool Area:

Please remember that glass is not permitted in pool area for homeowners or guests.

BUILDING MAINTENANCE AND GARDENING
(Highlights)

South tower water softener and filters:

Two head units were replaced and programmed. One of the heads was repaired and is stored for future use:



Elements inside the filters were replaced:



Roof Repair:

Repaired cracks in roof and applied a special white roof sealant to the entire surface of the roof. The south tower roof is finished. They did a fantastic job.

Cracks properly repaired before application of roof sealant:



Roof surface was thoroughly prepared before application of Roof Sealant. Note also the safety measures taken. Employees near edges are using harnesses:



For extra protection, mesh was added to areas where cracks were repaired. The roof sealant is the latest and greatest product and will protect the roof for at least 5 years. After 5 years it will still be strong, however as part of normal preventative maintenance and to reinforce the strength of the existing sealant we could add one more coat of sealant.



Same work will be done to north tower.

New doors were a trip hazard:

- Repaired - Before/After -

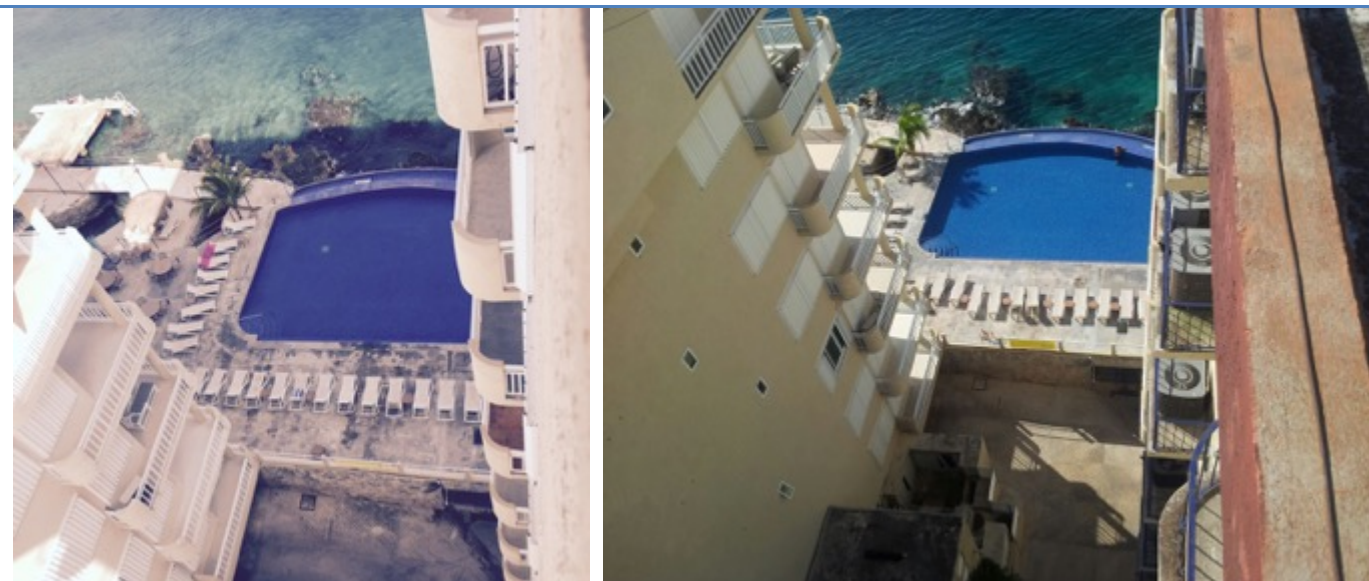


Pressure Washing:

New pressure washer purchased:



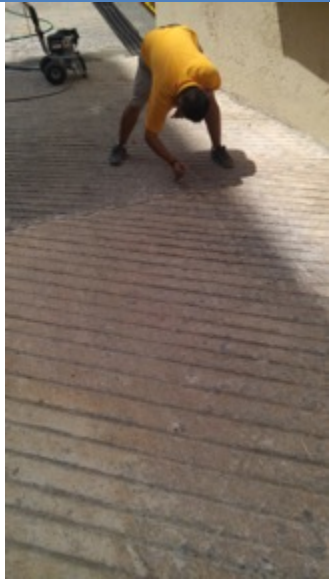
- Before/After -



Driveway:
-Before/After-



Removing gum from driveway:



Street side cement - Noticeable difference:

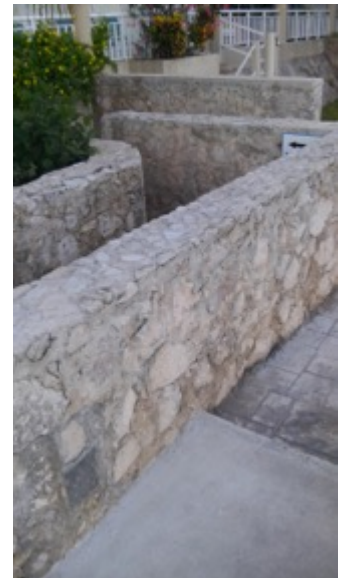


Moldy walls (Before):





-After Cleaning-



-Cleaned and Repaired-



Pool lounge chairs cleaned:

- Before/After -



The best lounge chairs were moved to the pool area:



Pool Repairs:

-Chlorinator Replaced-

Pool system has a salt water chlorinator that was damaged due to overheating and possibly too much water pressure.

Melted piece from inside chlorinator:



Long pipe bowed from overheating:



Bypass installed for new chlorinator to reduce/control water flow and pressure:



- Pool Filter Lid Replace (Leaked) -



Cleaned out sludge from parking lot drain:



Lamp covers replaced:



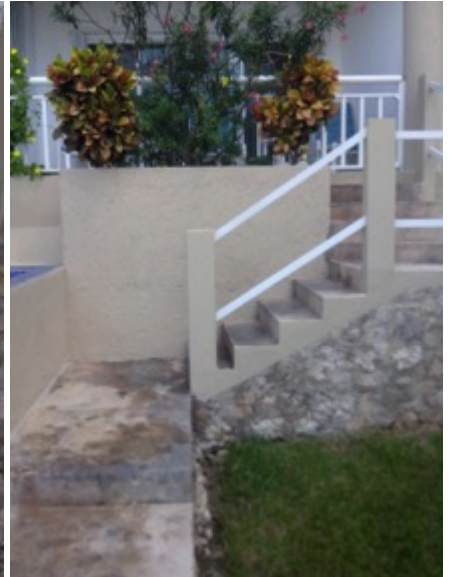
General Painting:



-Non-slip tennis court paint-

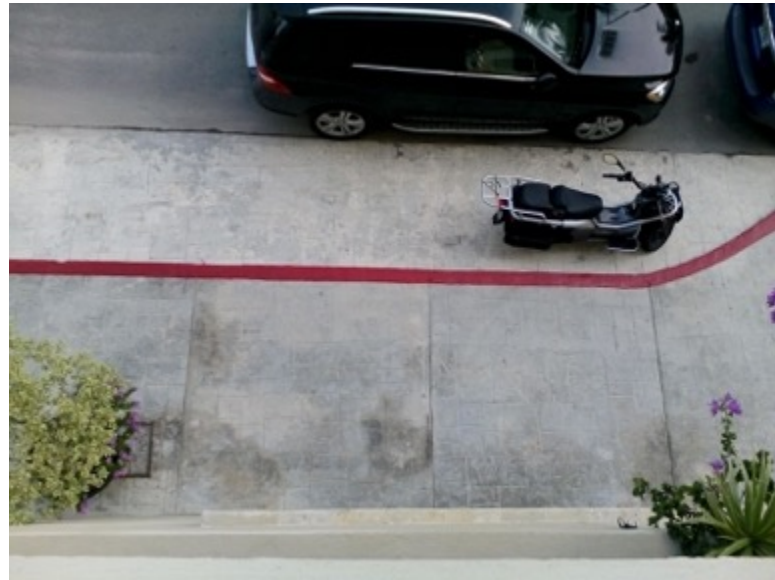
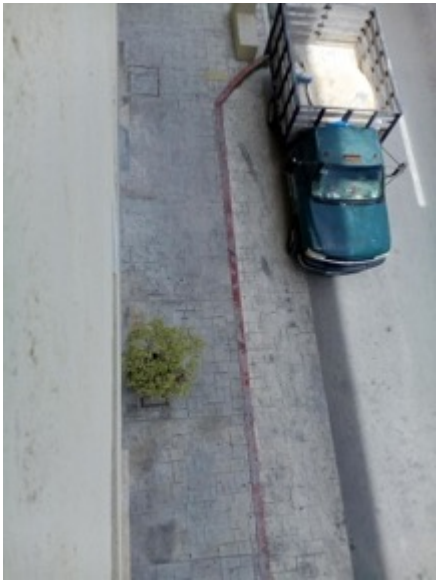


-Before/After-





- This project is about 30% complete -







General Cleaning:

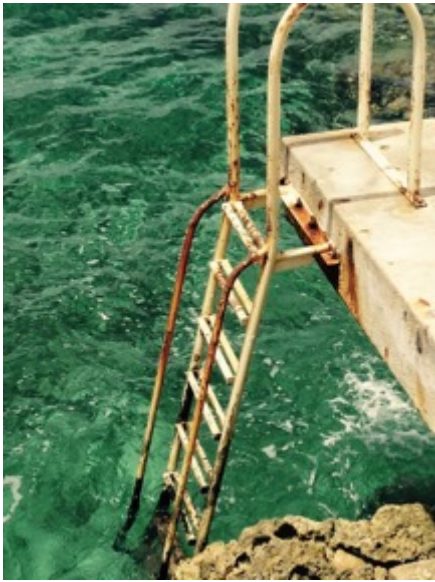


-Before/After-



Pier Ladder:

-Removed, sanded, sealed and painted-



Elevators:

There were some unpaid bills to Otis, the company contracted to maintain the elevators. Otis in the past has been very disorganized regarding billing. This is not the first time we have seen this with them. However, due to this, they would not continue providing service to El Cantil nor change the contract to ECC Cozumel AC without paying these past due bills. After a few weeks, we sorted it out and paid what was necessary.

The elevators have to be frequently reset. Otis is working to resolve this but are waiting on replacement parts to arrive.

For safety reasons, the card reader for elevator 4 has been moved outside.

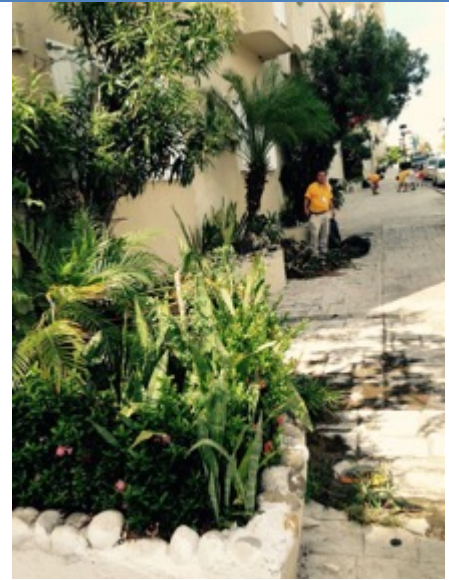


General Fumigation:

CBP has many years working with Vifer and because of our relationship with them, we were able to negotiate a very good price for El Cantil. They thoroughly addressed the concerns of El Cantil and installed many rat traps. The transition had its challenges, however, we hope the next time interior fumigation is scheduled, it will be much smoother.

Gardening:

Most of the gardening was performed by ECC Employees.





Employee Bonuses:

We have implemented employee bonuses. 5 received bonuses. Since so many worked so hard it was difficult not to give everyone a reward.

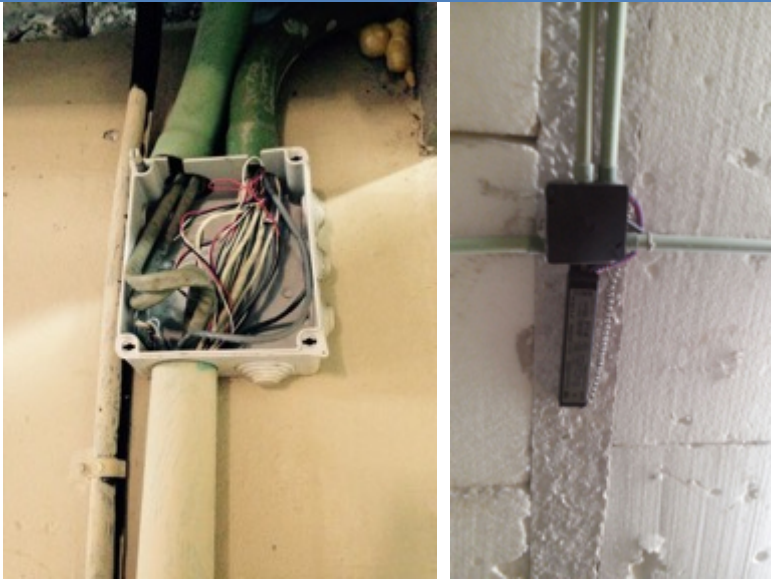
First Prize: Octavio – Dinner at Rolandis

Second – Fifth Prizes – Voucher for 4 passes to the movie theater

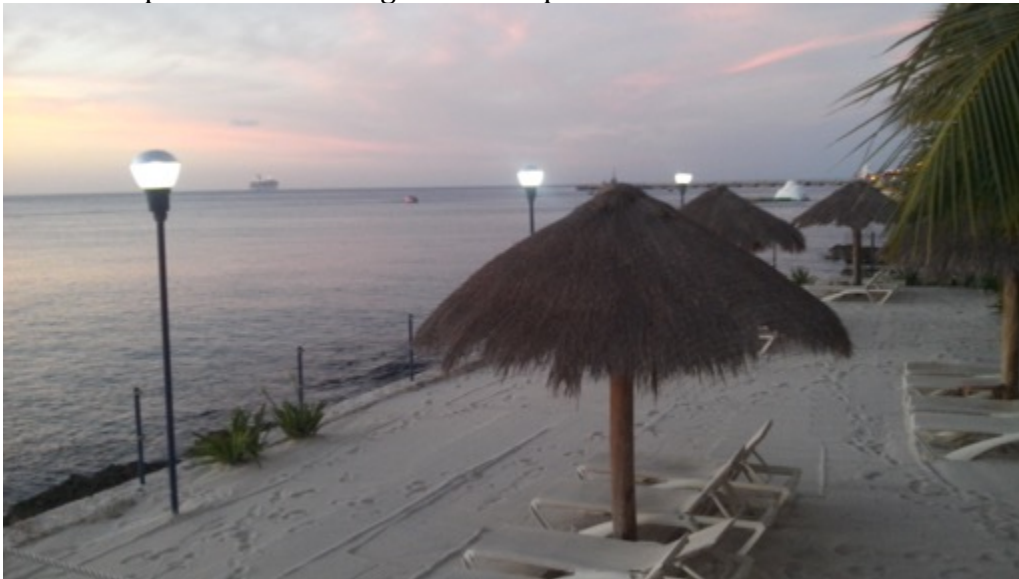


Electrical and Lighting Repairs:

-Installed covers on all open electrical boxes-



Beach lamps serviced and light bulbs replaced:

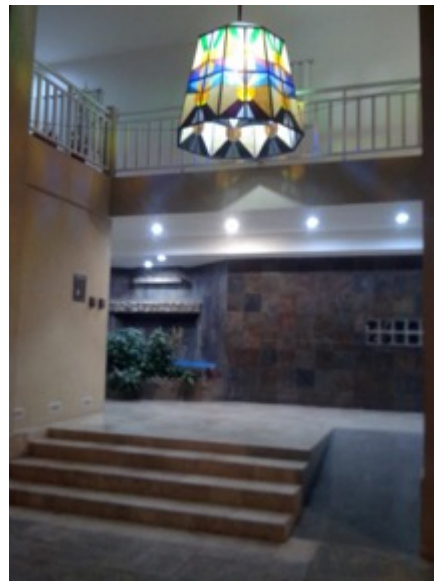
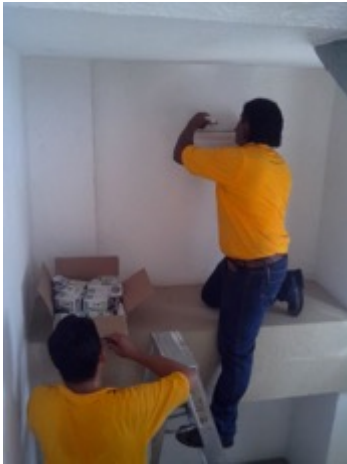


Keeping the timers working right is a challenge. We are looking into a more permanent solution.



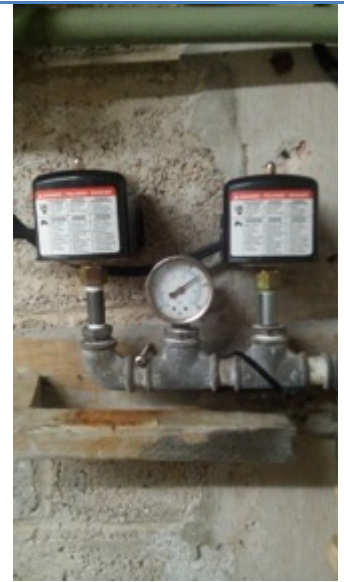
- LED Light bulbs -

High quality LED (5 watt) light bulbs were purchased from a provider in DF to replace all burnt out light bulbs, incandescent bulbs (60/70 watts), and florescent bulbs (14/18watts). This will represent a large savings in electricity every month plus LED light bulbs last much longer.



General Plumbing:

- One pressure gauge failed and the other was very old so we preplaced both -
Before/After



Tools

Example of the many tools we are purchasing:



Beach Cleaning:

Sand was separated from grass areas and filtered for garbage and debris then spread evenly over the beach area.



Wall was found under sand:



Transformers Serviced:

One of the transformers had an oil leak which needed urgent attention. This transformer as well as the other 5 were inspected and serviced. Reports will be prepared for us that will tell us if further repairs are needed.

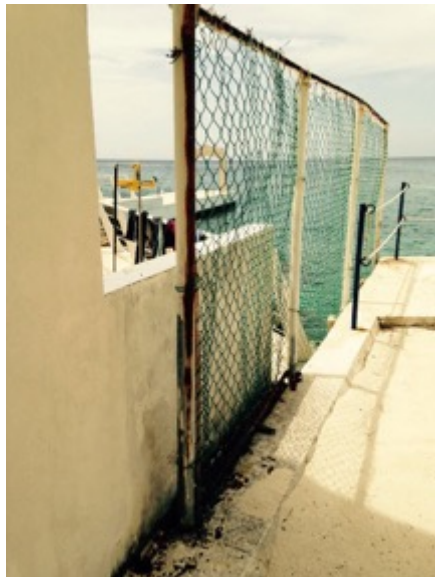


Building Television System:

1. Cable from North Tower to South replaced.
2. A small TV was purchased to be able to perform tests in the TV System room.
3. Firmware upgrades and repairs to the equipment finished.

Many Pending Projects. Here are just a few:

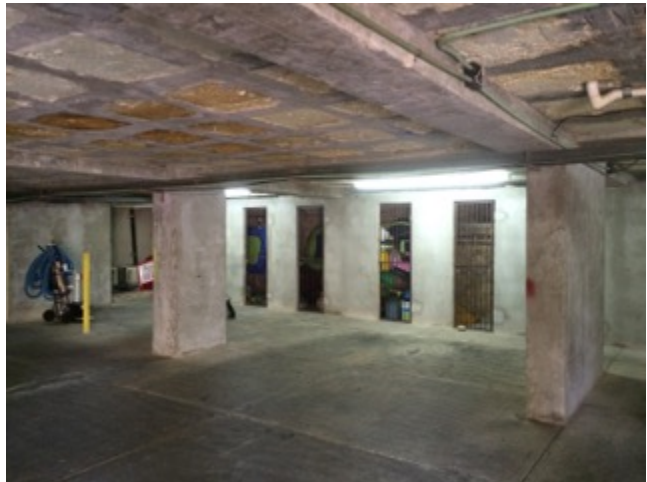
1. Fences at North and South ends of property



2. Finish installation of 3rd pump in North Tower



3. Finish Garage Ceilings



4. Replacement of Palapa Grass and Varnishing



5. Redo Pool Deck

6. Many Others

FINANCIAL REPORT

Reporte Financiero - Agosto/Septiembre, 2015 Financial Report – August/September, 2015

Reporte de ingresos y gastos / Income and Expense report	Aug/Ago 2015	Sep 2015	Total
Income / Ingresos			
Reserve Fund Dues / Cuotas de Fondo de Reserva	155,204.66	602,383.00	757,587.66
Ordinary Dues / Cuotas Ordinarias	376,008.30	1,496,286.92	1,872,295.22
Prepaid Dues / Cuotas prepagadas	54,108.64	163,102.08	217,210.72
Total Income / Total de ingresos	M\$ 585,321.60	M\$2,261,772.00	M\$2,847,093.60
Expenses / Gastos			
Bank charges/Cargos Bancarios	280.95	90.48	371.43
Employee expenses/Gastos de empleados			0.00
Payroll/Nomina	67,386.58	67,907.54	135,294.12
Rewards/Premios		2,500.00	2,500.00
Seguro, ISR, Infonavit, IVA		36,138.80	36,138.80
Uniforms/Uniformes	16,979.68	1,839.76	18,819.44
Total Employee expenses/Gastos de empleados	M\$ 84,366.26	M\$ 108,386.10	M\$ 192,752.36
Federal Zone/Zona Federal		60,176.30	60,176.30
Legal and Assembly Fees/Gastos Legales y de Asamblea			0.00
Assembly expenses/Gastos de asamblea	184,830.19	63.00	184,893.19
Formation of ECC Cozumel/Formacion de ECC Cozumel	9,798.00		9,798.00
Translation of legal documents/Traduccion de documentos legales	11,280.00		11,280.00
Total Legal and Assembly Fees/Gastos Legales y de Asamblea	M\$ 205,908.19	M\$ 63.00	M\$ 205,971.19
Maintenance/Mantenimiento			0.00
Cleaning supplies/Articulos de limpieza	4,185.00	1,372.00	5,557.00
Gardening Expenses/Gastos de Jardinera		2,362.00	2,362.00
Gas for karcher/Gas para karcher	543.00	271.00	814.00
General maintenance/Mantenimiento en general		2,616.00	2,616.00
Paint and paint supplies/Pintura y artículos de pintura		16,559.47	16,559.47
Plumbing and Electrical/Plomeria y Electricidad	42,679.40	23,116.00	65,795.40
Pool chemicals/Quimicos alberca	11,134.80	5,974.00	17,108.80
Pool repair/Reparaciones de alberca	14,629.68		14,629.68
Roof/Techo		126,200.00	126,200.00
Tools/Herramientas	15,714.00	5,613.69	21,327.69
TV network repair/Reparaciones de senal TV		16,820.00	16,820.00
Total Maintenance/Mantenimiento	M\$ 88,885.88	M\$ 200,904.16	M\$ 289,790.04
Office expenses/Gastos de oficina			0.00
Equipment/Equipo	4,926.72		4,926.72
Office supplies/Articulos de oficina	306.00		306.00
Total Office expenses/Gastos de oficina	M\$ 5,232.72	M\$ 0.00	M\$ 5,232.72
Professional services fees/Gastos de servicios profesionales			0.00
Accounting fees/Gastos de contabilidad	4,000.00	4,000.00	8,000.00
Administration Fee/Gastos de Administracion (Pesos)		58,135.00	58,135.00
Administration Fee/Gastos de Administracion (USD)	58,345.00		58,345.00
Elevator monthly contract/Elevador contrato mensual		118,980.65	118,980.65
Fumigation/Fumigacion	6,542.40		6,542.40
Security/Seguridad	9,493.44	9,187.20	18,680.64
Total Professional services fees/Gastos de servicios profesionales	M\$ 78,380.84	M\$ 190,302.85	M\$ 268,683.69
Taxes/Impuestos		46,046.00	46,046.00
Utilities/Servicios			0.00
Electricity/Electricidad	20,403.00	20,372.00	40,775.00

Monthly TV network/Red de TV mensual	28,780.76	28,780.76	57,561.52
Water/Agua	89,736.28		89,736.28
Total Utilities/Servicios	M\$ 138,920.04	M\$ 49,152.76	M\$ 188,072.80
Total Expenses / Total de gastos	M\$ 601,974.88	M\$ 655,121.65	M\$1,257,096.53
Net Earnings / Ganancia o perdida	-M\$ 16,653.28	M\$1,606,650.35	M\$1,589,997.07

Saldos de cuentas (MN) / Account balances (pesos)

Saldo de cuenta bancaria MN 30-sept-2015 / Peso bank account balance 30-Sept-2015	238382.05
Saldo de efectivo (MN) 30-sept-2015 / Petty cash balance 30-Sept-2015	19272.55
Total pesos	257654.60
Saldo de cuenta USD 30-sept-2015 / USD bank account balance - 30-Sept-2015	USD \$388166.50

Cuentas por recibir – Se han recibido todos los pagos para cuotas de septiembre a diciembre y la cuota extraordinaria. Solo quedan pendientes algunos pagos de agua. ¡Muchísimas gracias por su apoyo con los pagos de cuotas!

Accounts receivable – All payments for ordinary dues from September to December and the special assessment have been received. Only some payments for water are pending. Thank you very much for your support with your dues payments!

2016 – Estamos preparando el presupuesto de gastos para 2016, y esto se mandará a todos los propietarios para que lo analicen, y luego se presentará en la asamblea para votación.

2016 – We are preparing the budget of expenses for 2016, and this will be sent to all the owners for review, and will then be submitted at the homeowner’s meeting for a vote.

We hope this reports helps you relax and enjoy your Cozumel Home at El Cantil a bit more.

- Pictures from your Roof -

