

El Cantil

Administrative Report
4th Quarter 2016
October-December



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

eccadmin@cbpcozumel.com

After-hours emergency contact number:

Mobile: (987) 878-6811

Lobby Phone: (987) 116.9795

Jorge Canul (Building Supervisor)

Email: buildingsupervisor@cbpcozumel.com

Mobile: (987) 100 2480

Ramon (Onsite Supervisor)

Email:

eccmantenimiento@cbpcozumel.com

(987) 118 4849

Ashley (Ash) Grant Sartison

Caribbean Beach Properties (CEO)

CBP Cozumel SA de CV

Email: ash@cbpcozumel.com

Mobile: (987) 112-4491

New Notifications

Issuing of Onity System Card Procedures

Purpose:

Establish a procedure for personnel to follow for the issuing of Onity cards to Access El Cantil Common Areas for owners, guests, renters and outside contractors.

Quantity of Cards per unit free of charge:

Condominium owner shall be entitled up to 4 activated cards for personal use with unlimited activations.

Cards for owners who are on premises:

Cards will be issued for the length of an owner's stay at El Cantil; up to a maximum of 3 months. For the security of our common areas, it is each owner's responsibility to inform the Administration or Supervisor in the case that a card is lost or stolen so that it may be deactivated. Each owner will only be issued 4 cards, replacement cards cost 20 pesos per card and may be billed to your account.

Cards for guests of owners:

Each renter will be issued up to 2 common area access key cards per room. A record of the unit number, name of the renter, management company and a signature of responsible party will be required before cards are provided. Cards for renters will be programmed for the duration of their stay only with a maximum of 1 month. Replacement cards cost 20 pesos per card and may be billed to your account.

Sample of log is listed below.

Outside Contractors or Visitors:

All outside contractors or visitors must be pre-authorized by owners or residents and must be registered with security at entrance. Security staff will grant access to the building. No cards will be given to outside contractors, managers or their personnel.

Information that owners need to provide to the administration:

1. Providing a list of people that are allowed on-going access to your condo and the building.

a. Full Name: _____

- b. Condo Number: _____
- c. Start Date: _____
- d. End Date: _____
- e. Days and Times they are permitted to enter: _____

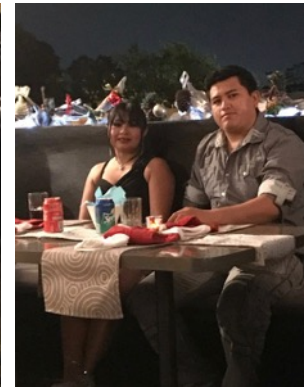
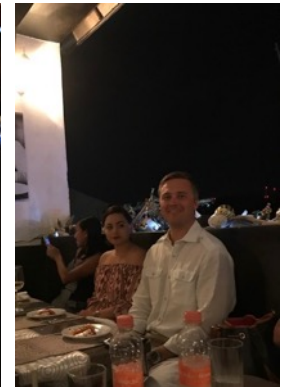
2. If you are having guests over, please notify security before they arrive to let security know what their names are. For your convenience the building has a cellular phone. You can call, text or Whatsapp your temporary visitors names to this phone and they will be granted access to the building upon arrival.

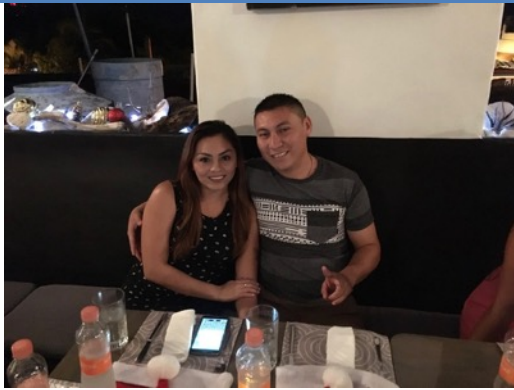
Building Cell Phone: +52 1 (987) 113 1875

Schedule for Programing Cards:

Only from Monday-Sunday 11am-2pm

Annual Employee Appreciation Dinner:





Pier Transfer:

The paper work requesting the pier transfer has all been submitted. We are waiting for final confirmation of the transfer. Continues to be delayed.

Federal Zone Transfer:

Pending completion.

Security:

The VC has authorized for a trial run, a second security guard at night and an additional guard to work from 2pm-10pm so that someone will always be in each tower, even during busy times of day when they need to help owners and guests with luggage.

Routine Reminders

Reminders:

The following sign is posted in the common areas. If you'd like a PDF version to put in your condos for guests, please let us know.

Welcome to El Cantil Bienvenido a El Cantil



For the comfort of everyone we request that you please observe the following building regulations:

1. Towels and laundry should never be hung over the railings. Neither should scuba equipment. There is a very nice rinse tank and drying area at the northeast corner of the building.
2. Pool furniture may **not** be reserved. Staff has been instructed to remove unattended towels and personal items.
3. Quiet hours at the pool are from 10 PM until 8 AM.
4. No glass at the pool is permitted!
5. Please respect pool furniture. Damages will be charged to the condominium owner.
6. No smoking is permitted in pool.
7. No fires are permitted in beach area.

Please be aware of the following areas requiring caution:

- Wet tiles can become very slippery.
- There is almost always a current, sometimes very strong, in front of El Cantil. Please swim with extreme caution.
- There is no lifeguard on duty. Please use pool and pool areas at your own risk.

For any emergency please **first** contact your rental manager, then building staff or security.

FOR EMERGENCIES DIAL 066/911

Para la comodidad de todos, les pedimos que observen las siguientes reglas:

1. Toallas y ropa no se pueden colgar sobre los barandales. De igual manera los equipos de buceo. Tenemos un área para enjuagar y secar los equipos de buceo, localizada en la esquina noreste del edificio.
2. Los Muebles de la alberca no pueden ser reservados. El personal tiene instrucciones de retirar cualquier toalla o artículos personales abandonados.
3. Las horas de silencio en la alberca son de 10 PM a 8 AM.
4. No se permite cristal en el área de la alberca.
5. Favor de respetar los muebles de la alberca. Los daños serán cargados al propietario del condominio.
6. No se permite fumar en el área de la alberca.
7. Fogatas no están permitidos en el área de la playa.

Favor de estar al tanto de las siguientes precauciones necesarias:

- El piso puede llegar a ser muy resbaloso.
- Casi siempre hay corriente en el mar, a veces puede ser muy fuerte frente a El Cantil. Naden con cuidado.
- No contamos con servicio de salvavidas. El uso de la alberca y sus áreas es bajo su propio riesgo.

Para cualquier emergencia favor de contactar **primero** a su propio arrendador, después al equipo de seguridad y a la administración del edificio.

EMERGENCIAS 066/911

Caribbean Beach Properties - Building Administration Contact Information

After hours Emergency contact number:

- (987) 878-6811

Jorge Canul (Building Administration):

- (987) 100 2480 (Cell)
- buildingsupervisor@cbpmexico.com

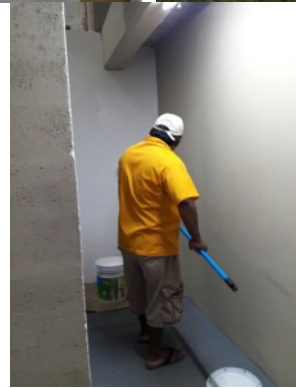
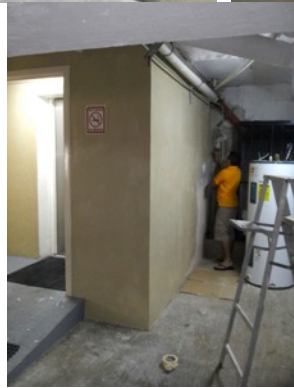
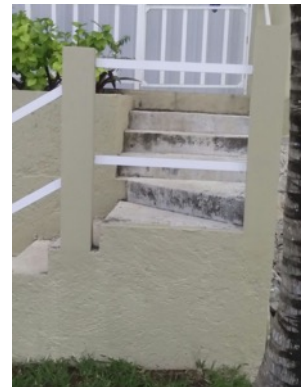
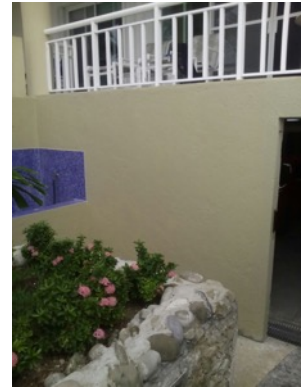
BUILDING MAINTENANCE AND GARDENING (Highlights)

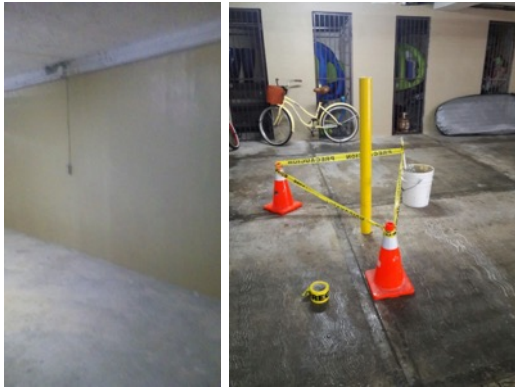
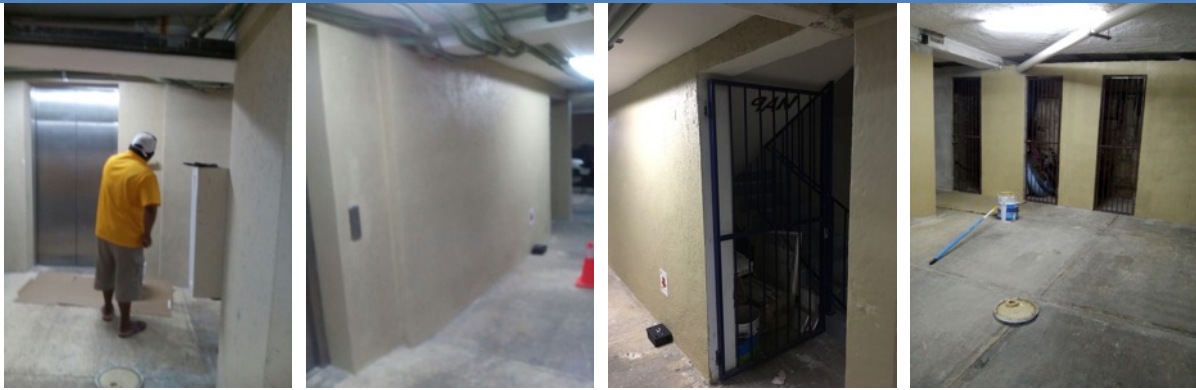
Pigeon Control:

More netting is on order. As soon as it arrives we will finish the project.



General Painting:





- before/after-



Plumbing Improvements:

An ugly hose came out of the ground to pump excess water out of the garage. A proper drain pipe was installed!



Gardening:

- Keeping Palms trimmed improves views -

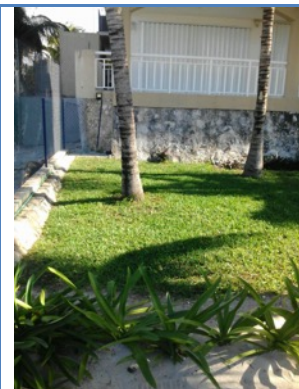


- New Grass Planted -



- Other General Photos -



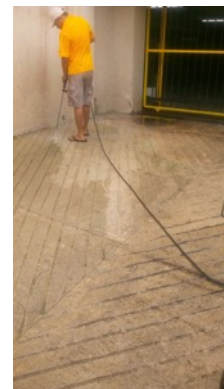
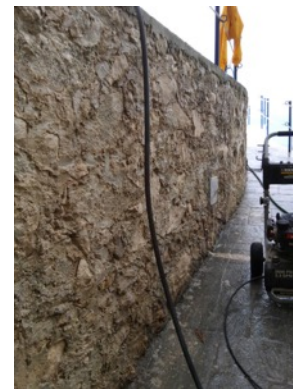
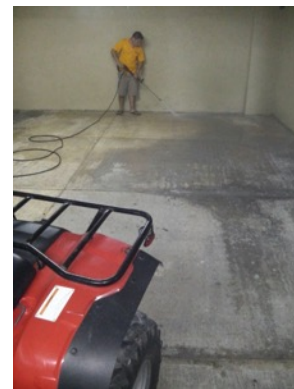


Pool Heater:

Cleaned, serviced, repaired and safety features checked before starting up.



Pressure Washing:



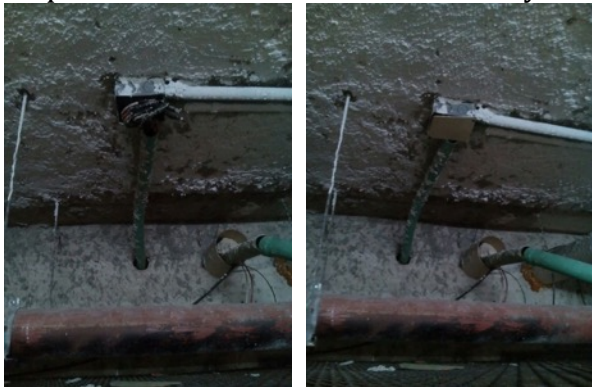
New Pump System Controller for South Tower:

This system saves energy and reduces noise by powering up and down the pumps slowly:



Electrical Improvements:

Inspected several areas and took safety measures where needed. This is just one example.



Street Side - Balcony Project

Sample balconies finished (Balconies of 2AN). Project will proceed as quickly as possible in the beginning of 2017.



Pool Saltwater chlorinators – Cleaned and serviced regularly



Building Water System:

Every week the following tasks are performed in each tower:

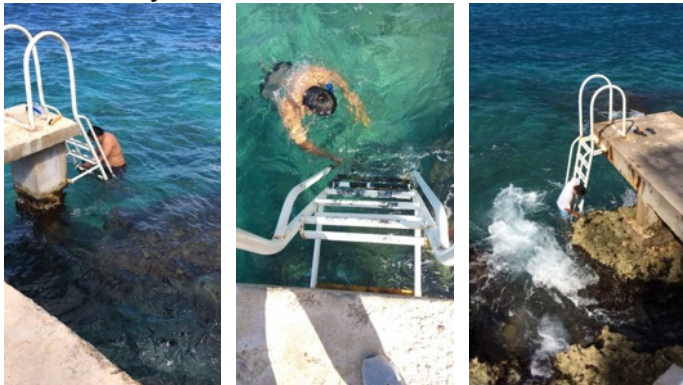
- Tested for hardness and adjusted as needed.



- Water readings are taken daily and once a week an average is taken. If anything is out of a normal range of usage, measures are taken to find the problem and resolve quickly.
- System is checked for functionality and leaks.

Ocean Ladders:

Periodically Cleaned:



FINANCIAL REPORT

El Cantil (ECC Cozumel A.C.)

Budget vs. Actuals / Presupuesto vs Gastos Reales

January - December 2016 / enero a diciembre 2016

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	Actual / Real	Budget / Presupuesto	Difference / Diferencia
Income / Ingresos			
Fines / Penalidades	509,375.00		509,375.00
Interest income/Intereses Ganados	2,089.65		2,089.65
Ordinary Dues / Cuotas Ordinarias	6,269,863.28	6,270,000.00	-136.72
Penalty for Late Payment / Penalidad por falta de pago	143,000.00		143,000.00
Water payments / Pagos de agua	328,214.25		328,214.25
Total Income	M\$ 7,252,542.18	M\$ 6,270,000.00	M\$ 982,542.18
Expenses / Gastos			
Bank charges/Cargos Bancarios	1,727.76	3,000.00	-1,272.24
Employee expenses/Gastos de empleados			0.00
Annual dinner/Cena anual	10,788.00		10,788.00
Payroll/Nomina	1,074,191.95	924,000.00	150,191.95
Rewards/Premios	6,750.00	45,600.00	-38,850.00
Seguro, ISR, Infonavit, IVA	430,577.24	336,000.00	94,577.24
Uniforms/Uniformes	26,258.76	48,000.00	-21,741.24
Total Employee expenses/Gastos de empleados	M\$ 1,548,565.95	M\$ 1,353,600.00	M\$ 194,965.95
Legal and Assembly Fees/Gastos Legales y de Asamblea		1,050,000.00	-1,050,000.00
Assembly expenses/Gastos de asamblea	720,493.05		720,493.05
Legal assistance/Asistencia Legal	16,000.00		16,000.00
8CN EEC Cozumel Checks Consigned at Court/EEC Cheques consignados en el Juzgado	12,300.00		12,300.00
9AN Check Recovery (BILLED to 9AN)/Relcoleccion de Cheque consignado en el juzgado	8,325.00		8,325.00
9AN Lawsuits against HOA and Representatives (Defense)	794,189.07		794,189.07
9AN Remodel (BILLED to 9AN)/Remodelacion	35,860.00		35,860.00
9BN Illegal Construction / Construcción Illegal	3,075.00		3,075.00
LCN Cage Removal (PAID)/Jaula en Sotano (PAGADO)	12,000.00		12,000.00
Removal items from Common areas / Removido de articulos que no deben estar en areas comunes	3,075.00		3,075.00
Total Legal assistance/Asistencia Legal	M\$ 884,824.07	M\$ 0.00	M\$ 884,824.07
Total Legal and Assembly Fees/Gastos Legales y de Asamblea	M\$ 1,605,317.12	M\$ 1,050,000.00	M\$ 555,317.12
Maintenance/Mantenimiento			0.00
Cleaning supplies/Artículos de limpieza	43,822.60	60,000.00	-16,177.40
Extinguisher/Extintores	6,240.80		6,240.80
Gardening Expenses/Gastos de Jardineria	37,713.00	18,000.00	19,713.00
General maintenance/Mantenimiento en general	42,447.64	181,200.00	-138,752.36
New Garbage Cans	6,960.00		6,960.00
Pigeon Control/Control de Pajaros	11,577.64		11,577.64
TelMex Repairs/Reparaciones al sistema de TelMex	4,872.00		4,872.00
TV network repair/Reparaciones de senal TV	15,428.00	18,000.00	-2,572.00
Video Surveillance System/Cameras de Video	55,622.72		55,622.72
Total General maintenance/Mantenimiento en general	M\$ 136,908.00	M\$ 199,200.00	-M\$ 62,292.00
Paint and paint supplies/Pintura y artículos de pintura	69,638.34	120,000.00	-50,361.66
Plumbing and Electrical/Plomeria y Electricidad	69,879.80	180,000.00	-110,120.20
Pool and water system chemical and salts/Quimicos y sal para alberca y suavizador	127,372.43	72,000.00	55,372.43

Pool repair/Reparaciones de alberca	83,599.00	60,000.00	23,599.00
Tools/Herramientas	28,088.08	60,000.00	-31,911.92
Total Maintenance/Mantenimiento	M\$ 603,262.05	M\$ 769,200.00	-M\$ 165,937.95
Office expenses/Gastos de oficina	32,165.19	42,000.00	-9,834.81
Professional services fees/Gastos de servicios profesionales			0.00
Accounting fees/Gastos de contabilidad	68,474.47	55,200.00	13,274.47
Administration Fee/Gastos de Administracion (USD)	767,585.44	690,000.00	77,585.44
Elevator monthly contract/Elevador contrato mensual	270,379.96	288,000.00	-17,620.04
Fumigation/Fumigacion	32,190.00	72,000.00	-39,810.00
Security/Seguridad	111,777.60	120,000.00	-8,222.40
Total Professional services fees/Gastos de servicios profesionales	M\$ 1,250,407.47	M\$ 1,225,200.00	M\$ 25,207.47
Taxes/Impuestos	394,658.00	72,000.00	322,658.00
Utilities/Servicios			0.00
Electricity/Electricidad	232,334.00	300,000.00	-67,666.00
Federal Zone/Zona Federal	184,516.02	183,000.00	1,516.02
Garbage/Basura	63,180.00	64,800.00	-1,620.00
Gas/Gas	236,704.72	240,000.00	-3,295.28
Internet/Internet	7,296.00		7,296.00
Monthly TV network/Red de TV mensual	375,410.80	348,000.00	27,410.80
Pier concession/Concesion de muelle	19,977.13	19,200.00	777.13
Water/Agua	567,976.02	600,000.00	-32,023.98
Total Utilities/Servicios	M\$ 1,687,394.69	M\$ 1,755,000.00	-M\$ 67,605.31
Exchange Gain or Loss / Tipo de cambio	-186.33		-186.33
Total Expenses / Total de gastos	M\$ 7,123,311.90	M\$ 6,270,000.00	M\$ 853,311.90
Profit or Loss / Utilidad o perdida	M\$ 129,230.28	M\$ 0.00	M\$ 129,230.28

Notes regarding Budget to Actual Differences	Notas sobre diferencias entre el presupuesto y los gastos reales
Administration fee – The contracted Administration fee is the equivalent of USD \$3500 per month. When the budget was created, the amount for this line item in pesos was input at a lower rate than the actual exchange rate month to month as it changed throughout 2016. For 2017, the administration fee has been fixed in pesos, so there will not be a difference for this budget line.	Cuota de administración – La cuota contratada para administración fue del equivalente de USD \$3500 por mes. Cuando se creó el presupuesto, se puso el monto en pesos en base del tipo de cambio fue menos de lo que llego a ser mes a mes durante 2016. Para 2017, la cuota de administración se fijó en pesos, así que no existirá diferencia para esta línea del presupuesto.
Payroll Expenses – The decision was made and approved to have a full-time supervisor, so this increased payroll and related expenses.	Gastos de nómina – Se tomó y se aprobó la decisión de contratar a un nuevo supervisor de tiempo completo, que resulto en el aumento de nómina y gastos relacionados.
Legal expenses – A third homeowner’s assembly was called, funds were necessary to defend new lawsuits, and notary expenses were required, all of which was not initially expected when the budget was formed.	Gastos legales – Una tercera asamblea se realizó, se necesitaron fondos para defender algunas nuevas demandas, y gastos de notaría se requirieron. Todos estos gastos no fueron esperados cuando se creó el presupuesto.

Reserve Fund and Projects Accounting / Contabilidad de fondo de reserve y proyectos

Finished Expenses (Total Spent Since 2015) / Gastos Terminados (Total Gastado desde 2015)	Actual	Budget/Presupuesto
2 Water Pressure Tanks/2 Hidros	45357.32	45357.32
Dome reconstruction/Reconstruccion de domos	331588.98	360000.00
Elevator repair/Reparaciones de elevador	28802.80	65000.00
Garage Ceiling Repair/Reparacion del Techo del Sotano	182509.00	289000.00
LED Lighting (Pool, Hallways and Garage)	17097.41	170000.00
Material to Soften and Purify Water/Material para suavisar agua	114726.32	114726.32
Palapa Repair/Reparacion de Palapas	20880.00	20880.00
Pool Pumps that save 90% on electricity/Bombas ahorradores	105000.00	100000.00
Remodeling beach and pool areas/Remodelacion de playa y áreas de la alberca	2500.00	2500.00
Roof Sealing Project/Impermeabilizacion de los Techos	178400.00	289000.00
South Tower Bathroom Remodel / Remodelacion del Baño Torre Sur	21838.76	30000.00
Transformer Restoration X 4 / Restoracion de 4 transformadores	256244.00	256244.00
Transformer Replacement/Reemplazo de Transformador	350986.00	349986.00
Transfer Transformers to ECC Cozumel AC / Transferencia de los Transformadores a ECC Cozumel AC	27607.00	300000.00
TOTAL	1683537.59	2392693.64
Ongoing or Newly Approved Expenses / Gastos Existentes y Nuevos Aprobados	Actual	Budget/Presupuesto
Audit of previous administration / Auditoria de la administración anterior	112742.51	114000.00
Bridge modifications/Modificaciones del puente	16825.00	60000.00
Building Exterior Paint and Window Sealing/Pintura del Edificio y Sellado de Ventanas	0.00	700000.00
Elevator repair/Reparaciones de elevador	0.00	40000.00
Mainteance Bus Bars / Mantenimiento del Barra Electrica	63365.00	41180.00
Maintenance of the Generator / Mantenimiento de la Planta Electrica	0.00	17980.00
New Aluminum Railings to replace sea side balconies with Aluminum and Glass / Barandales del lado del mar para reemplazar con aluminio y vidrio.	4100.00	2669914.08
New lighting for entire pool/beach area/Iluminacion nueva para área de la alberca/playa	0.00	250000.00
New Railings to replace Blue Posts and Rope from LDN to Palace / Barandales	0.00	400000.00
Onity System for HOA / Sistema Onity para controlar acceso a areas comunes	103570.95	190000.00
Pool área deck / Pisos del área de la alberca	0.00	1500000.00
Pool Chairs, Tables, Umbrellas/Sombrillas, Sillas y Mesas para el area de la alberca	20001.00	200000.00
Replacement of North Tower Balcony Railings/Barandales de aluminio del torre Norte	85956.00	420000.00
South Tower pump silencer and energy saver / Sistema para silinciar bombas del torre sur	107221.00	120000.00
Transformers Sur - Relocate off Private Property/Mover de propiedad privada	6525.00	600000.00
Transfer of Pier to ECC Cozumel/Transferencia de Muelle	0.00	0.00
Transfer Federal Zone to ECC Cozumel AC / Transferencia de los derechos de Concession de la Zona Federal a ECC Cozumel AC	13960.00	0.00
TOTAL	534266.46	7323074.08

Reserve fund beginning balance / Saldo inicial fondo de reserva	3949125.90
Total reserve dues 2015 / Cuotas de reserva 2015	764067.64
Total reserve dues 2016 / Cuotas de reserva 2016	3318317.27

Total reserve income / Total de ingresos de fondo de reserva	8031510.81
Transferred to self insurance / Transferido a fondo de seguro	2720000.00
Total expenses finished projects / Total de gastos en proyectos terminados	1683537.59
Total expenses pending projects / Total de gastos en proyectos pendientes	534266.46
Total reserve expenses / Total de gastos en proyectos	4937804.05
Reserve balance 31-Dec-2016 / Saldo de fondo de reserva 31-dic-2016	3093706.76

Fund Balance Report / Reporte de saldos

	Monex USD	CiBanco Op Peso	CiBanco Res Peso	Monex Peso	Petty Cash Caja chica	Total Pesos
Balance 12/31/15 Saldo 31-dic-2015	247,397.88	493,795.88	449,893.03	7.54	6,102.43	
Balance pesos Saldo pesos	3,871,209.54	493,795.88	449,893.03	7.54	6,102.43	4,821,008.42
Total P&L 2016 Total Utilidad /Perdida						1,707,649.54
Decrease in A/R Cambio en cuentas por recibir						352,221.55
Increase in employee loans Aumento en prestamos a empleados						-13,000.00
Balance 12/31/16 Saldo 31-dic-2016						6,867,879.51
Account balance 31-dic-2016 Saldo bancario 31-dic-2016	364,859.02					
Peso Balances @ 12/31/16	6,047,985.31	325,118.40	113,587.07	288,602.94	92,585.79	6,867,879.51
Allocated to reserve fund / Separado para reserva						3093706.76
Allocated to self-insurance fund / Separado para fondo de seguro						2720000.00
Available for operating / Disponible para operaciones						1054172.75

Accounts Receivable Report / Reporte de cuentas por recibir December 31, 2016 / 31-diciembre, 2016

Property / Propiedad	Amount due / Saldo que se debe
9AN	566635.06
9BN	203425.00
Total	772060.06

One Reason to Love El Cantil

