



**7th Annual General Assembly  
Asociación de Vecindados en Tecamatlán, A.C.**

Time: March 9, 2007 10:00A.M.

Place: Chapala Golf & Country Club, Municipio de Chapala

**Members Present:**

Erika Behmke  
Werner Behmke  
Bernard Downes  
Maureen Downes  
Donald Dwyer  
Charles S Ehlebracht  
Carolyn Fulton  
Gloria Gene George  
Ernest Gerenda  
Elizabeth Handy

John Hunter  
Dan Kralik  
Bernard Leader  
Dolores Leader  
Russell Loop  
Ruth Ann Loop  
Ron Magen  
Earl McCamis  
Anjo Mills  
Thomas Mills

Ernest Neely  
Patricia Neely  
Quy Nguyen  
Larry Pellegrine  
Lindy Pellegrine  
Doug Reno  
Ruth Reno  
Bonnie Rohac  
Kathryn Vine

**Members Represented by Proxy:**

Ken Adams  
John & Helen Kemp  
Sandra La Celle

Jeanette McCamis  
John Medved  
Ray Miller

Rick Ryan  
Connie Volden

**CALL TO ORDER**

At 9:30 am there was no quorum. Bernard Leader called the meeting to order at 10 am.

**APPOINTMENT OF THE PROXY SCRUTINEERS AND VOTE TABULATORS  
OF THE ASSEMBLY**

Bonnie Rohac and Ruth Ann Loop were appointed Vote Tabulators , Ron Magen and Gloria Gene George were appointed Proxy Scrutineers.

**READING OF THE MINUTES**

Bernard Leader proposed that the minutes of the last meeting are available on the new website therefore they may not have to be read at this meeting. Doug Reno moved to waive the reading of the minutes of the last Annual Meeting. Elizabeth Handy seconded Mr. Reno's motion. The motion passed unanimously.

Don Dwyer moved to waive the reading of the minutes of the last Extraordinary Meeting. Elizabeth Handy seconded Mr. Dwyer's motion. The motion passed unanimously.

## **NEW MEMBERS**

Bernard Leader announced the names of the new members: Angelique Dwyer, John Paul Dwyer, Chris Kimm and Kristen Kimm.

## **PRESIDENT'S REPORT**

Bernard Leader presented his report as it is presented on the website.

Dan Kralik asked what the "status" is of the civil action. Mr. Leader said it is still ongoing. Frank Payne, Gerry Arthur and Frans Vandenberg (Aline Miller) want to pay only 5 pesos per cubic meter, regardless of what other users pay and until it goes through the courts Frank Payne and Gerry Arthur will not pay the AC anything, they pay 5 pesos per cubic meter to the court. Frans and Aline have paid all costs to the AC. Because they brought the suit, the AC must answer or lose automatically. All legal fees have been paid. The only remaining costs would be for expenses such as travel charges whenever the lawyer has to go to Ocotlan and translators when necessary.

Ernest Gerenda needed clarification on the La Calma well and land. Mr. Leader responded that he bought the land (6,500 square meters) and is donating 400 square meters where the well is located to the AC. The AC will have an "Indian" deed (escritura) for the property when it is divided.

The new tank in La Calma is 10,000 Liters, stainless Steel with remote control.

Kathryn Vine had a question on the G. Arthur property, how to deal with the new owner. Mr. Leader responded, he's in discussions with the new owner and there should be no problem. Doug Reno says the closing should be the 1<sup>st</sup> of July is the latest closing date – it could be sooner.

Earl McCamis moved to accept the Presidents Report, Bernard Downes seconded the motion and it was approved unanimously.

## **TREASURER'S REPORT**

Dolores Leader presented her report as it is presented on the website. Expenses are down and we are budgeting a decrease in AC fees (1,000 pesos per lot annual fee and 575 pesos per lot for the convenio). No dam water fees this year- due to prepayment last year. The majority of the fees had been collected before the meeting, We are in good shape financially.

Bernard Downes questioned the value of fixed assets (land) for the La Calma well. And the depreciation method used on the water system. Dolores responded- the rate is 10% -- but this just does not work- We need more information regarding the costs and life of the components of the system.

Bernard Downes replied that things need to be replaced periodically. Can the AC propose another method?

Doug Reno states we are using unfunded depreciation and perhaps we could begin to use funded depreciation. Separation of capital and operating expense is the way to go. Doug Reno suggested a fund for depreciation, repair and maintenance.

Tom Mills suggested the things to look at are pumps, pipe and electrical systems – which are only a small part of the total system.

The general agreement on this is, things need to be replaced. Bernard Leader states, if we take any depreciation it will be necessary to increase the cost per cubic meter of water. Bernard Downes suggests getting information on potential replacement costs and then fund it.

Kathryn Vine suggested using one peso per cubic meter surcharge into separate fund only for waterline replacement as done in Vista Del Lago.

Bernard Leader suggests that members/users need to decide if they want to pay more in order to show the depreciation.

Doug Reno states submerged pump needs inspection and maintenance. This preserves the assets.

Ernie Gerenda states no increases should be addressed at this time. Need a greater emphasis on agreement in Poncitlan. Once the agreement is in place with them, there is government assistance available as the well will need money for upkeep.

Don Dwyer points out the account receivables are \$100,000 pesos, ( the actual figure for the end of 2006 was \$147,000 pesos) How many members does this represent?

Dolores Leader responds the number of members it represents is ten or 10% of membership.

Bernard Leader clarifies, really only six members, as four of them are for extraction tax only.

Ernie Neely motions to accept the Treasurer's Report, Bernard Downes seconded the motion and it was approved unanimously.

Dan Kralik questions whether the eastside of La Calma well donation includes the 400 square meters of land as well as the water pipe in it. Bernard Leader responds, no it does not include the line going away from well, only 20 x 20 meters of land, but that is not a unique problem.

Tom Mills asks if there are easements for services.

Kathryn Vine says there are 1.5 meter easements in Vista Del Lago.

Bernard Downs proposes a motion for no depreciation charge in the coming year but we establish values on the assets and settle the amount of depreciation to be discussed at the next AGM.

Dan Kralic seconded the motion and it carried unanimously.

Ernie Neely admired Mr. Leader's action in securing the property surrounding the well. He asked Mr. Leader why it was necessary. Mr. Leader responded that it solved the problem and he hoped it was a good investment. It also addressed the AC's capital fund supply. The size of the entire land parcel is 6,500 square meters.

### **WATER COMMISSIONERS REPORT**

Bernard Leader presented the Water Commissioners Report.

Bernard Downes proposed a motion to have the AC pay a percentage of the purchase price to Bernard Leader for the land that he donated.

Kathryn Vine seconded the motion.

Tom Mills asked if the AC had the funds to pay for the land. Dolores Leader responds yes, the AC does have the funds.

Doug Reno suggested there may be alternatives such a long term lease or easement rather than removing it from Mr. Leaders ownership.

Bernard Leader says we are talking about an Indian deed not a state Title- It is just not that much of a deal.

Dan Kralik calls into question a piece of land with water lines on it and our right to them. Bernard Leader says we need to investigate the Mexican rules allowing us to have control over the lines. If we turn it over to Poncitlan it will belong to them. We will be maintaining it.

Don Dwyer stated that he would deed his portion of land that includes the water lines as well.

Bernard Leader agrees we need to investigate the overall situation and the impact of ownership.

Bernard Downs motioned for AC to pay Bernard Leader for the land and well donation, Kathryn Vine seconded the motion and a vote carried unanimously.

Doug Reno motioned to accept the Water Commissioners Report, Tom Mills seconded the motion and it carried unanimously.

### **OLD AND NEW BUSINESS**

Bernard Leader stated the exclusion process is still ongoing.

Earl McCamis wanted to know the effect of exclusion on infrastructure.

Bernard Leader responded that the delay of the process to turn the water system over to Poncitlan is due to the change of government. The new mayor has indicated willingness to discuss the issue. It is just a matter getting his people comfortable in their positions. He asked for six weeks and it has been eight weeks- we are ready to go back to him again.

We may have to pay 5.7 for water extraction.

The exclusion from the indigenous community is going slowly because of the demandas.

A motion was made by Tom Mills to approve the proceedings of this meeting and to adjourn the meeting. The motion was seconded by Don Dwyer.

Charles Ehlebracht motioned to nominate as a delegate Lana Ehlebracht to approach a Notary to create an acta from the minutes of this and enter it into the Registro Publico., Don Dwyer seconded the motion and the vote carried unanimously.

Doug Reno motioned to adjourn the meeting, Earl McCamis seconded.

Dan Kralik asked if there should be a vote regarding fees. Bernard Leader responded no, that as it was part of the Treasurer's Reports it was covered by the approval of the report.

The original motion carried unanimously at 11:30am.

Respectfully submitted,  
Lana Ehlebracht, Secretary