

MINUTES OF THE ANNUAL GENERAL ASSEMBLY OF THE E.U.C. SITIO DE CALAHONDA, HELD ON THE 28th OF MARCH 2017.

The meeting was opened at 10:30 a.m., at the time of the second calling, with a total attendance of 23,69%. The President, Mrs. Coral Castronuño, welcomed all those present and introduced the Board members, our lawyer and the director. Then she indicated that the meeting would be conducted in accordance with the rules of debate as had been the custom in previous Assemblies. Mr. Contreras explained these rules. As usual, she informed those present that matters of general interest would be discussed and therefore asked everyone who had doubts or problems of a personal nature to bring these up at another time with the Board Member in charge of the matter in question.

Item 1.- Approval, if warrants, of previous minutes.

The minutes of the last AGM held on the 17 March 2016 had been sent to all the owners and no objection had been received within the time limit. **A vote was taken and the minutes were unanimously approved.**

Item 2.- Presidents report: Mrs. Castronuño informed about the most relevant issues since her report in the annual booklet that was sent together with the assembly summons documents. Summoned by the Town Hall, they informed us that they intended to reception the urbanisations and to do so they were carrying out audits of the oldest urbanisations, which includes ours. This could be questioned, as the latest actions of the Town Hall have been restrictive. They left us without public lighting for a week without prior notice and we got the service back thanks to the public scandal it created throughout the municipality. Also, they request a licence and guarantee deposit for each small job carried out on public areas making these jobs more expensive, they are constantly raising objections when it comes to refunding the deposits, lack of cooperation with the fire prevention plan, cleaning of riverbanks that we aren't allowed to touch or we will get fined, no staff from the basic income program for prevention works as well as with the cleaning of the rubbish containers areas and their latest great action, they have stopped bringing the sweeping machine that had been giving the service in our urbanisation for the past four years and now we are sweeping by hand. On the other hand, she pointed out that we are starting to have problems with the wild boars again in the area of Avda. Del Cortijo and from here they are moving towards Avda. de los Jardines and green areas nearly reaching the road. Once again we have informed the authorities. The Town Hall informed us that they were going to do a study of the population and that they carried out hunts in the mountains that seem to have reduced the number of these animals, but they are around again. The solution that the councillor for environment has given us is that the owners build a wall or proper fencing, but we are not satisfied with this reply and we will keep on insisting and ask all the owners to put pressure on the Town Hall. She also informed that in the area over the false tunnel, where we have been asking for years for a free sports area and dog park, the present government, due to the pressure made by users, have adapted and recently inaugurated a dog park. This park is for all the neighbours of our urbanisation and others too, and it is not that we don't agree with having a dog park, which I think is fantastic, but many owners collected signatures and presented them to the Town Hall for a sports area and what happened... that it wasn't published on Facebook, yet through meetings and letters officially presented through the register? Apparently, they take more notice of the social network than official communications. She also informed that, as usual, we are working on the fire prevention plan clearing dry scrub that could be dangerous in the event

of a fire. As some years ago we carried out a great cleaning job, now we are trying to maintain it. Two summers ago the cleaning of the riverbank between calle Van Dulken and calle Málaga was left undone and we are trying to get the Town Hall to do it because we are not allowed to touch the riverbanks as we would get fined. Hence, we kindly ask you to check with your gardeners or workers so that they don't throw anything on green areas, we check the green areas on a regular basis and though there are fewer incidences we still find debris dumped on them. This puts your property at risk and your life and that of your neighbours as garden rubbish spontaneously combusts. With respect to the budget, she informed that we continue to include the item for public lighting as the Town Hall can decide to cancel the agreement. Lastly, she informed that we have requested that the road that goes from calle José de Orbaneja to calle Huelva be included within the urban plan of Mijas and that they build a pavement, install lighting... As you can see, everything bumps into the Town Hall and goes on forever and they complicate everything and don't allow us to work... We want to sign an agreement to be able to maintain our urbanisation with the status it has had up to date. Then she passed the word to Mr. Cuevas who informed about the situation of security in the urbanisation. He pointed out that the incidents figures had considerably improved, both in burglaries and vehicles robberies and that we are much below the figures of nearby urbanisations that don't have a vigilance service. He also pointed out that we had improved the uniforms of the guards who now also have lifejackets, a new vehicle, communication improvements with walkie talkies and a new quad for entering the green areas. The most relevant issues in matters of security have been regarding gender-based violence crimes, recovery of vehicles, preventing a pyromaniac from entering our urbanisation who was causing fires in the area of Calypso and El Zoco, controlling illegal dumping on green areas and garden rubbish deposits, as well as collaborating with the Guardia Civil in several arrests and other actions that have encouraged the security forces to give a special mention to three of the security guards of Franjus. Mrs. Castronuño pointed out that Mr. Cuevas also got a special mention for his work in favour of security. Lastly, he mentioned the problems with the squatters in other urbanisations and therefore we should be alert. A period for asking questions was opened. Mr. Eilertsen mentioned that each year we talk about the lack of cooperation of the Town Hall and pointed out if we were able to address to a higher organism and leave the Town Hall aside. Mr. Arteaga replied saying that we can't address to another higher organism such as the Junta de Andalucía because we depend on Mijas Town Hall. He recalled that we started a contentious judicial procedure against the Town Hall precisely for this reason. Mrs. Garnier informed about the problems with the change of the municipal cadastre that increased her IBI receipt and also about the problems with dangerous dogs without the obligatory prevention measures. She was informed that with respect to the cadastre, it corresponds to the Ministry and not the Town Hall, but that she could claim to the latter to see if there are any errors with the measurements. With respect to the dogs, she was advised to call the security company or local police for them to fine the dog owners. Mrs. Holmes asked if we could lower the security barriers permanently as they did a good prevention job. She was informed of the current legal restrictions to leave the security barriers permanently down. With no further questions, Mrs. Castronuño thanked the EUC staff, both the office personnel and operative services, for their good work.

Item 3. – a) Auditors Report 2016. b) Appointment of Auditors for the year 2017.

Mr. Bernard Fay of UHF Fay & Co. reminded that, the ICAC (Institute of Censors and Account Audits) has normalised the report that is carried out in communities and EUCs and is now called a report on agreed procedures. The format and the name of the report changes, but the work carried out is the same. In this report they must state the proceedings that are being carried out and inform about them to all the owners, from these proceedings any incidents with the accounts appear and must be reflected on the report. In the case of the EUC Sitio de Calahonda all the proceedings have been carried out and there are no incidents on the accounts and therefore their report is entirely clean which means that the accounts of the EUC showed a completely accurate image of the accounts and all the transactions have been carried out correctly. He pointed out that there was a new surplus that makes the Funds increase, mainly composed of debtor's fees and bank account balance. The financial situation of the EUC is very solid and the EUC is capable of collecting a great amount of debtor's fees thanks to their good management. A period for asking questions was opened, as there were no questions regarding the auditor's report, the approval in respect of the Auditors' Report was voted. **The Auditors' Report was unanimously approved. b) Appointment of Auditors for the year 2017.** Mrs. Castronuño proposed the re-election of UHY Fay & Co. as auditors for the year 2017. **It was voted and unanimously approved.**

Item 4. - Approval, if warrants, of the Accounts of the year 2016, as well as of the outstanding debts at 31st December 2016. Authorisation to the President of the Entity to take legal actions against debtors. Mrs. Castronuño pointed out that all the owners had received the documentation relating to the accounts for the year that has ended and as there were no more questions, **the approval of the accounts for the 2016 financial year was voted and unanimously approved.** She passed the word to Mr. Björklund, Treasurer of the EUC who presented a full report and explained in detail the debtors situation by December 2016 and that the amount reached 399.000.-€ which is a lower amount than last year by about 35.000.-€ The collection work never ends, there are always delayed debts and he explained the breakdown of the debt by years and the current situation of the collection management, the older the debt, the harder it is to collect. With no further questions we continued with **the voting of the outstanding debts and authorisation to the President of the Entity to take legal actions against debtors, which was unanimously approved.**

Item 5. – Approval, if warranted, of the budget for the 2017 financial year.

Mr. Björklund, informed about the proposed budget for this year, pointing out that once again the Board of Directors had decided on a conservative budget and had decided to slightly lower the budget, leaving it at 1.200.000.-€ Mr. Björklund mentioned that usually the budget should be increased each year, at least in accordance with the CPI. However, if we analyse the budget during the last twenty years, though the budget has increased, the fees are lower than the increase of the CPI during those years, thanks to the increase in properties in the urbanisation that shares the fees out into more members. In his opinion, throughout the last years there has been an efficient management of the recourses, trying to keep a not very high budget and carrying out the most important improvements with the collection of debts. He pointed out that medium fee paid by each property in the EUC is 166.-€ which means that more than 72% of the members pay less than 150.-€/year (12,5.-€/month). Thanks to the amounts collected from previous years, that has enabled us to

create a fund, and thanks to the efficient management of the budget, we have decided to present a budget with a reduction of 1,3%.

Then, he explained the most relevant items on the budget and mentioned that it had to be approved, as well as the use of the debtors fund to carry out the necessary improvements for this year, except if we had some unexpected problem that could cause a problem to our financial situation. A period for asking questions was opened, as there were no questions, Mrs. Castronuño asked for **the voting of the proposed budget for the 2017 financial year and proposed using the debtors amounts on investments and improvements of our streets. The budget for the 2017 financial year was unanimously approved. As well as the use of the debtors fund for improvements of the streets.**

	2017	2016	%	Gastos 16
I.- Maintenance & repairs				
1.1. Operative services personnel costs	260.000,00	260.000,00	0,00%	244.527,25
1.2. Gardens	15.400,00	10.000,00	54,00%	10.239,65
1.3. Improvements	68.000,00	82.000,00	-17,07%	86.210,31
1.4. Roads	24.000,00	26.000,00	-7,69%	29.095,58
1.5. Vehicles	9.000,00	8.500,00	5,88%	9.443,29
1.6. Fire precautions	15.000,00	15.000,00	0,00%	14.462,17
1.7. Garden rubbish collect.	65.000,00	70.000,00	-7,14%	59.400,00
1.8. Cleaning of streets	2.500,00	2.500,00	0,00%	2.448,35
1.9. Others	2.000,00	2.000,00	0,00%	1.422,45
Total I	460.900,00	476.000,00	-3,17%	457.249,05
II.- Profesional services	54.650,00	54.200,00	0,83%	55.049,38
III.- Security service	440.000,00	440.000,00	0,00%	434.189,40
IV.- Insurance	8.900,00	8.650,00	2,89%	8.635,22
V.-Electric, water, petrol consumpt.				
5.1. Water consumption	10.500,00	10.700,00	-1,87%	7.149,47
5.2. Petrol consumption	12.000,00	13.000,00	0,00%	9756,48
Total V	22.500,00	23.700,00	- 5,06%	16.905,95
VI.- Administration office				
6.1. Personnel cost	129.100,00	128.700,00	0,31%	128.076,37
6.2. Office expenses	7.500,00	7.500,00	0,00%	7.151,22
Total VI	136.600,00	136.200,00	0,29%	135.227,59
VII.- Other expenses				
7.1. Capital goods	6.500,00	7.300,00	-10,96%	19.657,80
7.2. Director's fees	19.950,00	19.950,00	0,00%	19.950,00
7.3. General expenses	5.000,00	5.000,00	0,00%	3.180,20
7.4. Conting./Emergencies	5.000,00	5.000,00	0,00%	3.609,92
7.5 Reserve fund (art.9 HPL)	40.000,00	40.000,00	0,00%	40.000,00
Total VII	76.450,00	77.250,00	-1,04%	86.397,92
Total euros	1.200.000,00	1.216.000,00	-1,32%	1.193.654,52

$$50\% \text{ prespto} = \frac{600.000\text{€}}{1.652.771,96} = 0,3630\text{€pto} \quad 50\% \text{ prespto} = \frac{600.000\text{€}}{6.800 \text{ ud.}} = 88,23\text{€ud.}$$

Item 6. - Election of Officers: President and Board of Directors 2017.

Mrs. Castronuño informed the Assembly that this year there were six candidates for the Board of Directors, which are the following: Mrs. Bladh, Mr. Björklund, Mrs. Castronuño, Mr. Cuevas, Mr. Nicholls and Mr. Ruiz. Mrs. Castronuño pointed out that after eighteen years as President, it was time to give way to a new president, in this case Mr. Contreras who has been acting as Vice-president for the past years. She thanked the work carried out by all the Board members during these years and passed the word to Mr. Contreras, who thanked Mrs. Castronuño for the great work she has done all these years and her great commitment to the EUC Sitio de Calahonda. He mentioned that he had asked Mrs. Castronuño to stay as a member of the Board to help him out. Mr. Harboe, as a previous Board member, thanked the effort carried out by the president during these years and said he knows Mr. Contreras and thinks he will do a great job as well. **The election of candidates for the Board of Directors was voted and approved unanimously.** She also informed that there was only one candidate for President, Mr. Contreras. **A hand vote was taken and the candidate Mr. Contreras was elected President of the EUC and it was unanimously approved.**

Item 7.- Report on matters of interest that affect the urbanisation. Measures to be taken. Mrs. Castronuño informed that some years ago the Assembly approved having three informative meetings for the neighbours throughout the year, but thanks to the magazine, the web site, social networks and emails, it isn't really necessary to have so many meetings to keep everyone informed. Also, we have noticed that there are less and less people

attending to the assembly meetings. For this reason, she proposed reducing the number of informative meetings to one and if there is anything outstanding an extraordinary meeting can be summoned. **After discussing the matter, this proposal was unanimously approved.**

Item 8.- Proposals from the owners in accordance with article 23.3 of the Statutes:

Since no proposals had been made, the meeting moved on to the following Item.

Item 9- Any other business.

Mrs. Holmes asked about the abandoned building on Avda. De España and corner of calle Sevilla and if it was possible to avoid squatters getting in and if the appearance could be improved. She was informed that the building has several Irish owners, which we have contacted on some occasions, but they are not interested in its conservation and it looks like some bank will be taking over the property because they do not pay the mortgage, or the IBI or the community fees. We will send a letter to the Town Hall for them to carry out some action according to the municipal bylaws.

César Contreras González
President

William Frederick Nicholls
Secretary