

**Minutes of the Board for Directors Budget Meeting
Fiesta Homeowners Association, Inc.**

Date: Tuesday December 15, 2009

Time: 7:00 p.m.

Place: Association Pool Area

Board Members Present: Lori Press-Vidal, Eva Cudak, Steve Costaney, Florence Roache, Lisa Cleter

Board Members Absent: Eric Sanzare

Owners: see sign in sheet attached to MLM copy of minutes

Others: MLM Property Management, Peggy from Moody Accounting

President Lori-Press-Vidal called budget meeting to order at 7:03 pm. MLM took roll call and a Board quorum was established.

President introduced the Board of Directors to the unit owners present.

President asked if anyone had any questions regarding the 2010 operating budget, Owner Gary Steinberg asked several questions to Moody Accounting regarding the bad debt, Mr. Steinberg asked why the bad debt went from \$13,000 previous year to \$190,000, Peggy from Moody Accounting stated that \$99,000 of that money is not collected yet, and we anticipate the same for this year. Gary asked what is our balance as of now Peggy did not have balance sheet with her; she apologized and stated that she will e-mail anyone who wishes to have it tomorrow morning, she again apologized for not having it. Gary again stated that he has no problem with the budget but does not like the bad debt figures.

MLM explained that we collected a large sum of past due money thanks to Bakalar & Associates since we became the Management Company for Fiesta and Lori took over as president we turned over unit owners who were not sent to collections or laid in the files doing nothing from the previous person handling the accounts these unit owners either paid or the banks paid after filing demand letters. These funds helped pay for the work done in the community, pool fence, trees, storm drains, etc.

Unit owner Marita Ryan asked several questions regarding the maintenance of the property, if we had enough funding in that area, since she feels the complex is not being maintained. President told Ms. Ryan that this is a budget meeting and that we just hired a new company to walk the property. She should see an immediate improvement.

President asked if there were any other questions regarding the budget, there were none. MLM went line item by line item if there was an increase or line item remained the same. There were no other questions. Motion was made Eva Cudak to approve and accept the 2010 operating budget with maintenance at \$144.00 starting January 1, 2010, seconded Florence Roache, unanimous vote by Board present.

Motion was made Eva Cudak to adjourn at 7:34 pm seconded Eva Cudak, unanimous vote by Board Present.

Respectfully Submitted,

MLM Property Management
For Secretary Fiesta HOA

**Minutes of the Annual Membership Meeting
Fiesta Homeowners Association, Inc.**

Date: Tuesday December 15, 2009

Time: 7:30 p.m.

Place: Association Pool Area

Board Members Present: Lori Press-Vidal, Eva Cudak, Steve Costaney, Florence Roache, Lisa Cleter

Board Members Absent: Eric Sanzare

Owners: see sign in sheet attached to MLM copy of minutes

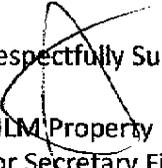
Others: MLM Property Management

President Lori-Press-Vidal stated that we cannot conduct the annual meeting we have no quorum we need 30% of the membership which is 102 either in person or by proxy.

No one wants to do a re-mailing and waste association money and have the same outcome no one shows up.

The same Board will stay on and appoint new directors to fill the vacancies we have at the next scheduled Board Meeting which should be in February 2010 first or second week.

Respectfully Submitted,


MLM Property Management
For Secretary Fiesta HOA

From: Pmmoody

Sent: Wednesday, February 17, 2010 12:17 PM

To: Fiesta HOA Board of Directors

Subject: Re: Addendum to Fiesta Budget Meeting December 15

I have attached the balance sheet that I didn't have with me last night at the Budget Meeting.

Please note the following:

1-The total cash includes \$194, 635.47 in restricted reserves funds.

2-The auditors computed and recorded the current \$62,000 in "Allowance for Doubtful Accounts" @ 12/31/08. As stated last night, \$13,509 has actually been written off and that was mostly "clean up" of previous accounting records so the attorney could pursue the delinquent unit owner with viable documents.

3-Because of privacy issues, I am not at liberty to attached the AR Aging report but can tell you that of the total of \$154,040.61 due as of today, there are 96 unit owners with dollars reflected in the over 90 days column that amounts to \$115,757.90 (76% of total due). Included in that over 90 day column, there is 36 unit owners with amounts due that are all over \$1,000 with highest amount of \$6,535.00 owed to the Assoc from each of 2 separate unit owners. The 61-90 days past due is 73 unit owners with \$4,637.15 due (3% of total), the 31-60 days past due is 7% of total @ \$9,816.76 and the 1-30 days past due = \$23,828.19 (16%) of total due. Kinda scary that there is still so high an amount due in 1-30 days but probably indicative of a combination of holiday spending and job losses across the country.

4-An updated computation for the 2010 allowance is as follows:

36 unit owners owing over \$1,000 for over 90 days - expectation is that no payments will be received from these unit owners for the foreseeable future. Hope is that a sale of unit will result not only in some cash of old monies due but also a regular, timely payer.

$$36 \times 144 \times 12 = 62,208$$

$$\text{Amt over 90 days} = 115,757$$

$$\text{Total} = 177,965$$

At the time the budget was being prepared, the numbers came out closer to the \$190,000 approved last night by the Board.