

President's Report 2009/2010

La Cala Hills Phase 1

Time is racing and we are coming close to the end of our financial year again. Here we are reviewing with you the current situation of the community.

Finances

We should do financially reasonably well this year as we were extremely lucky with very low repairs for the pools and other installations. From a cash flow point of view we were not doing that well, as the debtors rose despite all efforts since the end of last year from average € 25000,00 to 50000,00 we had to withdraw € 20.000,00 from our reserve funds to meet our financial obligations.

On the other hand we had also substantial savings by taking on the security directly and employ Tomi and Juan plus Samuel as a backup guard, reducing our gardening expenses, changing our cleaning ladies to an outside, cheaper enterprise, negotiated lower ADSL rates with Vozplus and finally saved by changing the administrator at the last AGM. Thanks go to Mr. Mariscal who helped here.

Overall we will be able to repay the 20000,- to our reserve fund and, if everything goes well, we can add another €10000,- to 20000,- to the kitty.

Pools and gardens

Our pools again behaved pretty good and no major repairs occurred. The gardens were kept very well as usual by Alberto and his new college Cristobal who replaced Emilio early this year.

We think that we have improved the water consumption during the year Despite the very hot summer, but we are not sure until we receive the final bills from Mijas Aqua.

Garage doors and main gate

The main gate received an overhaul and two more garage doors

were fitted with better motors which should improve reliability.

Cleaners

As mentioned above we have released Lola end of last year and contracted a small cleaning company. so we are no longer subject to health cost and sick pay as well as possible severance pay. I think most owners are happy with this lower cost service.

Security

As most of you know we have employed our security guards directly by the beginning of the year as the then security company wanted to change our guards and rise the cost. We have made nothing but very good experience with that step as Juan and Tomi remain highly committed to the community as well as Samuel, our new backup guard. Our savings are going to be substantial at the end of the year despite accruals which we take for potential severance pay at some time. There is a potential issue to be discussed at the AGM regarding Molly, our guard dog, which we added to our security force after some serious robbery attempts.

We have also installed automatic door closures at the entrance gate of each building to improve security as well as protection devices for the door openers.

Refurbishing

We have continued the necessary cleaning and upkeep of our community and have this year painted block 1, 2 and 6 as well as some dirty parts in other blocks. Also the main gate and the guard house has been painted and cleaned as well as all iron work and lamps in the urbanisation. We think it looks very well now and we plan to continue to paint blocks 7,8 and 9 next financial year.

Cats and dogs

Again a never ending story. The cats have become fewer but it appears that more and more owners let their dogs use our gardens. We need to think about this again.

Debtors

As already mentioned our debtors have gone up substantially, partly because of the credit crunch and partly because we changed the bank this year, which led to some confusion with some owners. This is sorted out now but we still need to introduce new measures to

keep our funds flowing. One idea is to introduce a penalty of 20% for all owners who have not paid within the first 2 months of the quarter.

Budgets

We will be well within our budget this year and foresee at this point a possibility to lower next years budget by 10% or so because of all the changes and savings we made this year. Unknown at this point is our year end situation on the water and electricity side, which had their prices again increased this year.

Officers

In august our vice president, Ray Small, resigned from the board for personal reasons and I will most likely not stand again for president because of health reasons. So everybody who might be interested to join the Governing board should come forward as soon as possible.

The AGM will take place on Monday, 25.October 2010 at the Hotel Tamisa at 10.00 o'clock.

Horst Erbacher
President Phase 1