

Enteríos Corrientes HomeOwners Association
PMB 51 PO Box 2500 Trujillo Alto PR 00977

A: Todos los miembros de Asociación de propietarios de Enteríos y Corrientes

De: Emmanuel López, Presidente de Junta Directiva ECHIOA

Y.T. por E.L.

Asunto: Convocatoria a Asamblea Extraordinaria 2015 **para aumento en recargo de \$5.00 a \$10.00 y aprobación Procedimiento de Cobro**

Fecha: 5 de noviembre de 2015

La Asamblea dará lugar en el área de Gazebo de la urbanización (Echoa)

Primera Convocatoria: viernes 13 de noviembre a las 6:00 P.M. – Quórum 60%

Segunda Convocatoria: viernes 13 de noviembre a las 7:00 P. M. – Quórum 30%

Tercera Convocatoria: sábado 14 de noviembre a las 9:00 A.M. – Quórum 15%

Cuarta Convocatoria: sábado 14 de noviembre a las 10:30 A.M. – Quórum 7.5%

La agenda para dicha reunión es la siguiente:

- Introducción y Bienvenida
- Determinación de Quórum
- Aprobación de Recargo de \$5.00 a \$10.00
- Aprobación de Procedimiento de Cobro
- Cierre

Nota : Exhortamos a todos a participar de esta actividad por el bienestar comunitario y de tener su cuota de mantenimiento al día para poder ejercer su derecho al voto. Contamos con su presencia o en ausencia, su representante autorizada por medio del "proxy" adjunto.



ENTRE RÍOS-CORRIENTES
Home Owners Association
Encantada, Trujillo Alto, P.R.

Procedimiento de Cobro EntreRíos y Corrientes

1. **El pago de la cuota de mantenimiento vence el día primero de cada mes.** Si usted paga luego del día 15 (comenzando el 16 de cada mes); ya su balance acumula automáticamente un recargo de \$10.00. Comenzando el día 16 ya usted no podrá reservar ningún área dentro de las facilidades recreativas; así como celebrar cualquier actividad aunque ya haya reservado.
2. De un residente no pagar el recargo de \$10.00 luego de hacer su pago después del día 15; esta cantidad será tomada como parte de su balance adeudado y aplicará para todas las penalidades adicionales y demás estipulaciones aquí descritas. De tener un balance equivalente solamente a los \$10.00 de recargo y no cumplir con el pago del mismo; aplicará el mismo proceso descrito en este procedimiento.
3. Al próximo o segundo mes, de no haber recibido su pago del mes anterior se le enviará un **aviso** (si todavía no ha pagado o debe el recargo) que le indicará que tiene cinco días para pagar su cuota + recargo de \$10.00. De no recibir su pago dentro de estos cinco días; efectivo inmediatamente ningún miembro de su residencia ni invitado de la misma podrá utilizar las facilidades recreativas, y los beepers y tarjetas que proveen acceso a algunas áreas específicas serán desprogramados. Los invitados del residente moroso no serán anunciados y éste tendrá que venir a buscarlos a la entrada. El residente deberá entonces seguir el siguiente procedimiento de entrada a la villa:
 - El residente moroso utilizará el carril de visitante; se identificará con el guardia de turno indicándole su nombre y número de residencia.
 - El Oficial de turno verificará esta información en el Registro de Residentes.
 - El oficial anotará en el Registro de Visitantes el nombre del residente, una "R" al lado del nombre y el número de la residencia.
 - Luego de terminado este proceso, el oficial procederá a conceder acceso al residente.

La falta de pago de su cuota de mantenimiento de tres o más plazos conllevará una penalidad adicional equivalente al 1% mensual del total adeudado según permite la ley #21. (Ley de control de acceso).

4. En aquellos casos donde el residente, de forma deliberada, se niegue a aceptar cartas certificadas con acuse de recibo y/o no ponga al día su cuenta con ECHOA, se procederá a hacer la gestión de cobro por vía judicial. Se percibe que todas las costas y honorarios de abogado serán cubiertas (pagadas) por el propietario moroso. Este proceso se hará con todos los residentes morosos que no pongan al día sus obligaciones de cuota, derramas, intereses, penalidades etc. con ECHOA.
5. Aquellos residentes que no tengan su cuota de mantenimiento al día quedarán temporalmente privados del ejercicio del voto en las reuniones de la Asociación de Residentes hasta tanto satisfagan la deuda en su totalidad. Todo residente tendrá el derecho a ponerse al día en el pago de su cuota de mantenimiento, a los fines de ejercitar su derecho al voto pagando las cuotas de mantenimiento atrasadas, con cualesquiera intereses o penalidades incluidas teniendo el derecho de ejercitar su derecho al voto si el pago se efectúa cinco días laborables antes de que se efectúe la Asamblea. No se aceptarán pagos de ninguna clase durante la asamblea para poder cumplir con este derecho.
6. Todas las actividades patrocinadas por la ECHOA se llevan a cabo con el presupuesto establecido para ellas que se forma por medio del pago de la cuota de mantenimiento. Si usted no tiene su cuota de mantenimiento al día no podrá disfrutar de estas facilidades; ni se le proveerá taquillas para las mismas.
7. Este procedimiento se llevará a cabo de igual forma para todo residente sin distinción de ninguna clase. Los avisos son formularios ya redactados y no son documentos diseñados exclusivamente para un residente en particular.
8. Los pagos de la cuota de mantenimiento que son entregados a la oficina administrativa deberán estar a nombre de la ECHOA. Estos no podrán hacerse en efectivo.

Enteríos Corrientes HomeOwners Association

PMB 51 PO Box 2500 Trujillo Alto PR 00977

A: Todos los miembros de Asociación de propietarios de Enteríos y Corrientes

De: Emmanuel López, Presidente de Junta Directiva ECHOA

Y.T. PEREZ

Asunto: Convocatoria a Asamblea Ordinaria Anual 2015

Fecha:

La Asamblea dará lugar en el área de Gazebo de la urbanización (Echoa)

Primera Convocatoria: viernes 13 de noviembre a las 6:30 P.M. – Quórum 60%

Segunda Convocatoria: viernes 13 de noviembre a las 8:00 P.M. – Quórum 30%

Tercera Convocatoria: sábado 14 de noviembre a las 10:00 A.M. – Quórum 15%

Cuarta Convocatoria: sábado 14 de noviembre a las 11:30 A.M. – Quórum 7.5%

La agenda para dicha reunión es la siguiente:

- Introducción y Bienvenida
- Determinación de Quórum
- Lectura y aprobación Minuta anterior
- Informe del Presidente
- Informe sobre las finanzas del condominio
- Aprobación Presupuesto
- Aprobación de proyecto especial Entrada (Caseta), jardinería, Iluminación- \$70.000 de las cuentas reservadas para Proyectos especiales
- Asuntos Nuevos
- Cierre

Nota : Exhortamos a todos a participar de esta actividad por el bienestar comunitario y de tener su cuota de mantenimiento al día para poder ejercer su derecho al voto. Contamos con su presencia o en ausencia, su representante autorizada por medio del "proxy" adjunto.

Anejos: Presupuesto sugerido, Estado financiero 2104, Profit and Loss y Balance Sheet a septiembre 2015 y Proxy

ENTRERIOS / CORRIENTES HOME C**Echoa Presupuesto sugerido para el año 2016**

Descripcion	
ESTIMADO DE INGRESOS	
Cuotas	\$ 193,500.00
Alquiler Gazebo	\$ 1,000.00
Intereses y recargos	\$ 2,000.00
Total de Ingresos	\$ 196,500.00
GASTOS OPERACIONALES	
Seguridad	
Seguridad/Capitol Security	\$ 92,000.00
Portones/Vallas	\$ 3,210.00
Actividades	\$ 15,000.00
Decoracion	\$ 500.00
Mantenimiento	
Areas Verdes	\$ 9,000.00
Limpieza equipo de recreacion	\$ 400.00
Limpieza baños y oficina	\$ 3,500.00
Mantenimiento aire acondicionado	\$ 970.00
Recogido de zafacones (Roy Ramos)	\$ 1,560.00
Mantenimiento planta electrica (PGS)	\$ 850.00
Fumigación	\$ 1,180.00
Sub-Total	
Cámaras	\$ 2,400.00
Seguros	\$ 4,667.00
Reparaciones y otros mant.	\$ 14,000.00

Servicios	
Telefono caseta	\$ 1,500.00
Buzon Postal (Postland)	\$ 135.00
Energia electrica (AEE)	\$ 8,500.00
Agua potable (AAA)	\$ 2,000.00
Sub-Total	
Servicios bancarios (BPPR)	\$ 2,500.00
Small Equipment	\$ 2,000.00
Gastos administrativos	
Contabilidad / auditoria anual / hacienda	\$ 4,000.00
Servicios de administrador	\$ 12,000.00
Servicios profesionales	\$ 3,000.00
Asambleas	\$ 406.00
Materiales de oficina	\$ 500.00
Sub-Total	
Reserva de mejoras	
Reserva para morosos	\$ 10,500.00
Total	\$ 196,278.00

Entreríos Homeowners' Association, Inc.
(known as Entreríos/Corrientes Homeowners' Association)
Financial Statements
December 31, 2014
(With independent auditor's report thereon)

CPA Milagros Colom Salcedo
P.O. Box 194272
San Juan, Puerto Rico 00919-4272
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Independent Auditor's Report

To the Board of Directors
Entrerios Homeowners' Association, Inc.

Report on the Financial Statements

I have audited the accompanying financial statements of Entrerios Homeowners' Association, Inc. which comprise the balance sheet as of December 31, 2014, and the related statements of revenues, expenses and changes in fund balance, and cash flows for the year then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Entrerios Homeowners' Association, Inc. as of December 31 2014, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information**Schedule A**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information presented in Schedule A is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

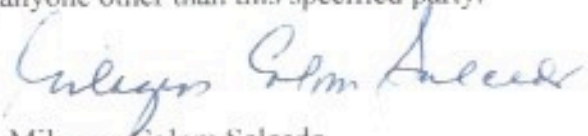
Schedule B

The American Institute of Certified Public Accountants has determined that supplementary information about future major repairs and replacements of common property is required to supplement, but not required to be a part of, the basic financial statements. I have compiled the supplementary information from information that is the representation of management of Entrerios Homeowners' Association, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information presented in Schedule B.

Other Matters

The accompanying financial statements were prepared for the purpose of complying with the bylaws of Entrerios Homeowners' Association, Inc.. Therefore, this report is intended solely for the information and use of Entrerios Homeowners' Association, Inc. and is not intended to be and should not be used by anyone other than this specified party.

San Juan, Puerto Rico
March 10, 2015



Milagros Colom Salcedo
Certified Public Accountant
License No. 2069 in Force

Stamp no. 02696460 of the
Puerto Rico Society of Certified
Public Accounts was affixed to the
record copy of this report.

Entrerios Homeowners' Association, Inc.
Balance Sheet
December 31, 2014

Assets

Cash:		
Regular account	\$	60,952
Certificates of deposit		76,918
Assessment fees receivable, net of allowance of doubtful accounts of \$ 25,000		12,173
Prepaid insurance		2,163
		<hr/>
Total assets	\$	152,206

Liabilities and Fund Balance

Accounts payable	\$	18,546
Deferred income		11,882
		<hr/>
Total liabilities	\$	30,428
Fund Balance		
Restricted		--
Unrestricted:		
Board designated- contingency reserve	40,000	
Undesignated		81,778
		<hr/>
Total Fund Balance		121,778
		<hr/>
Total Liabilities and Fund Balance	\$	152,206

The accompanying notes are an integral part of the financial statements.
See independent's auditor's report.

Entrerios Homeowners' Association, Inc.
Statement of Revenues, Expenses and Changes in Fund Balance
For the year ended December 31, 2014

Revenues:	Unrestricted	Restricted	Total
Assessment fees	\$193,500	--	\$193,500
Late charges and penalties income	1,927	--	1,927
Interest income	344	--	344
Total revenues	<u>195,771</u>	<u>--</u>	<u>195,771</u>
Expenses:	<u>185,071</u>	<u>--</u>	<u>185,071</u>
Excess of revenues over (under) expenses before capital improvements	10,700	--	10,700
Capital improvements (Note 3)	5,270	--	5,270
Change in fund balance	5,430	--	5,430
Fund balance, beginning of year	116,348	--	116,348
Transfer between funds	--	--	--
Fund balance, end of year	<u>\$121,778</u>	<u>\$ --</u>	<u>\$121,778</u>

The accompanying notes are an integral part of the financial statements.
See independent's auditor's report.

Entreríos Homeowners' Association, Inc.
Statement of Cash Flows
For the year ended December 31, 2014

Cash flows from operating activities:	
Excess (deficiency) of revenues over expenses	\$ 10,700
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided (used) by operating activities:	
Depreciation	--
(Increase) decrease in:	
Assessment receivable	5,189
Prepaid insurance	(1,017)
Increase (decrease) in:	
Accounts payable	6,019
Deferred revenues	(2,532)
Net cash provided (used) by operating activities	<u>7,659</u>
Cash flows from investment activities:	
Capital improvements	(5,270)
Cash flow provided (used) by investing activities	<u>(5,270)</u>
Cash flows from financing activities:	
None	--
Cash flow provided (used) by financing activities	<u>--</u>
Net increase (decrease) in cash	13,089
Cash, beginning of year	<u>124,781</u>
Cash, end of year	<u>\$ 137,870</u>

The accompanying notes are an integral part of the financial statements.
See independent's auditor's report.

Entrerios Homeowners' Association, Inc.
Notes to Financial Statements
December 31, 2014

Note 1-Organization

Entrerios Homeowners Association, Inc. (the Association) is a not-for-profit organization incorporated on 1998 under the laws of the Commonwealth of Puerto Rico. The Association was organized to own, provide maintenance and to administrate the common areas, the services and facilities of the Entrerios/Corrientes Development at Encantada, Trujillo Alto, Puerto Rico. The development has 258 residential units. All homeowners are members of the Association and pay a monthly assessment fee to the Association in order to achieve the objectives and goals of the homeowners. The Association is administered by a board of directors elected by the homeowners.

Note 2-Summary of significant accounting policies

This summary of significant accounting policies is presented to assist in understanding the Association's financial statements. The financial statements and notes are representations of the Association's management, who is responsible for their integrity and objectivity.

Accounting basis

The Association prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Association, the assets are segregated between unrestricted and restricted assets. This is the procedure by which resources for various purposes are classified, for accounting and reporting purposes, according to the specified objectives of the Association. These are:

- Permanently restricted net assets are those that may never be spent by the Association because the donor permanently restricts the assets. The Association has no permanently restricted net assets.
- Temporarily restricted net assets are those in which the Association limits the use of some of its assets for a prescribed period or upon satisfaction of a condition. When the restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Association has designated \$47,500 as a reserve for future major repairs and replacements, but has not restricted the amount yet.

Entreríos Homeowners' Association, Inc.
Notes to Financial Statements
December 31, 2014

- Unrestricted net assets are composed of all resources not included in the above categories. From time to time, the Board may designate unrestricted net assets to particular purposes. Such net assets, although unrestricted, require Board approval prior to spending. The Board has designated \$40,000 of the unrestricted net assets as contingency reserve. The Association reports assessment fees as unrestricted revenues.

Assessment fees

The assessment fee is determined annually by the Association and is based on the estimated expenses for the year. This fee is charged annually to each homeowner and is payable in advance on a monthly basis. Overdue account is subject to penalties on outstanding balance. Assessment receivables as of financial date represent unpaid fees from homeowners. The Association may retain legal counsel and place liens once the remedy is obtained of the properties of homeowners whose assessments are one year or more delinquent. An allowance for doubtful accounts is recorded for accounts whose collection is less than probable. Any excess assessments at end of year are retained by the Association for use in the succeeding year.

Special assessments

Major capital acquisitions and major repairs are funded by levy of special assessments subject to members' approval.

Statement of cash flows

For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of six months or less to be cash equivalents.

Property and equipment

Real property and common areas acquired from the developer, such as gatehouse, recreational and security equipment, and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property at cost and depreciates it using the straight line method over the estimated useful lives of the assets. Maintenance and repairs are charged to expense.

Income taxes

The Association is a not-for-profit organization and is exempt from Puerto Rico income tax under section 1101 (5) of the Puerto Rico Internal Code.

The Association is potentially subject to income tax audits in the Commonwealth of Puerto Rico for taxable years from 2009 to 2014, until the applicable statute of limitations expires. Tax audits by their nature are often complex and can require several years to complete.

Entrerios Homeowners' Association, Inc.
Notes to Financial Statements
December 31, 2014

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3- Capital improvements

Capital improvements' consists of:

Speed reducers	\$ 2,750
Electric pole replacement	2,520
Total	<u>\$ 5,270</u>

Note 4- Significant concentrations of risk

The Association income is mostly from homeowners' located throughout Puerto Rico and as such it is subject to any risk inherent of Puerto Rico and individual's economy.

Note 5- Subsequent events

The Association evaluated subsequent events through March 10, 2015, which is the date the financial statements were discussed with members of the Board of Directors. Except as discussed below, no other events have occurred subsequent to the balance sheet date and to the date the financial statements were available to be issued, that would require additional adjustment to, or disclosure in, the financial statements.

Entrerios Homeowners' Association, Inc.
Schedule A
Supplementary Information- Expenses
December 31, 2014

	Unrestricted	Restricted	Total
Expenses:			
Security	\$ 93,274	--	\$ 93,274
Maintenance and repairs- common areas	19,193	--	19,193
Residents' activities	14,426	--	14,426
Bad debts expense	10,783	--	10,783
Administration contract	12,352	--	12,352
Ground maintenance	12,340	--	12,340
Utilities and communications	11,738	--	11,738
Professional fees	3,975	--	3,975
Bank charges	3,155	--	3,155
Insurance	2,886	--	2,886
Office expenses	935	--	935
Other	14	--	14
Total expenses	\$ 185,071	--	\$ 185,071

Entrerios Homeowners' Association, Inc.
Schedule B
Supplementary Information on Future
Major Repairs and Replacements
(Unaudited)
December 31, 2014

The Association's board of directors estimated the remaining useful lives and the replacement costs of the components of common property. Replacements costs were based on consultation with contractors and engineers. Replacement costs were based on the estimated costs to repair or replace the common property at the date of the study. Estimated current replacements costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property.

Components	Estimated remaining useful life (years)	Estimated current replacement cost
Electronic components of security system	5	\$ 5,000
Mechanical components of security gates	4	5,500
Landscaping and exterior maintenance	1-5	7,000
Electric generator	5	10,000
Perimeter fence repair	15	20,000
		\$ 47,500