

## Community Governance Development Fund

### **Community Governance**

The Community Maintenance Fund should only be considered a temporary place holder for us. The budget we put into place should only be followed until a permanent governance structure is put in place. If we are going to manage our community we need some kind of representational governance. If we are going to spend money that the community has provided, then we need a formal structure with elected leaders to make those decisions. If we are going to make capitol improvements we need elected leaders to make those decisions. If we are going to have a volunteer fire department and purchase safety equipment or have any kind of security system, then we need an elected group to make decisions on how to run and fund these things. Even if we have a “limited” governing board and leave most decisions to a community vote, we will need an elected group to manage these votes.

It is also time for all of us to take responsibility for running our community. Phil has taken an amazing vision and made it a reality. But the truth is, he has hit his ceiling and cannot continue to manage everything. He is trying to set up a construction company, another company to source building materials and inventory them in our construction yard. On top of that he continues to sell lots and offer full design service. He cannot continue to manage the day-to-day operations of our community!

### **Memorandum of Association**

On the Community Website you can find the Memorandum of Association for Carmelita Gardens Assembly LMT. This is the company Phil set up years ago to act as our HOA. Since that time many things have changed and those rules are no longer applicable to CG. In addition to the rules being dated, we found out that the business structure is no longer correct for a Belizean Home Owners Corporation. It will cost more to restructure Carmelita Gardens Assembly than to just start a new company. This company is not in good standing per the Belizean Government and will be dissolved within about one year.

### **Belizean Homeowners Corporation**

We need to set up a new company that can open a bank account, pay an accountant, and manage our community funds. I have no desire to see an American style HOA in place at Carmelita Gardens. Most people who moved here wanted to get away from petty regulations and control of daily life. An HOA that is focused on how short your grass is cut, how tall your flag pole can be, and what color of flowers you are allowed to plant will not work here! That should not stop us from creating a community governance that reflects the independent nature of our residents.

The Nexus Company in Belmopan has worked with Phil to set up new businesses in CG and I used Nexus to set up the Carmelita Forest Garden LTD. They charged a \$1400.00 flat fee to set up the business structure and we also had to pay the government fees to register the company. Nexus has set up HOAs in Belize and would be willing to consult with us to customize our structure and bylaws.

I also spoke with the law firm Wrobel and Associates in Belize City. Ryan Wrobel is the lawyer that often speaks at the Live and Invest Conference. He has a flat fee for setting up a basic business structure in Belize. His fee is about \$3200.00 BZD. I have heard he is one of the more expensive business lawyers

in the country, and I am sure the fee would be much higher than his base if we want to customize our bylaws.

I am going to put \$4000.00 BZD into the budget so we can start working on our organization. This will require forming another steering committee and working with consultants. Fortunately there is some very good software to create surveys so we should be able to find out what the majority of the CG owners are in support of.

Community Governance Development fund \$4000.00 BZD.