

STEPHENS HILLS PROPERTY OWNERS' ASSOCIATION, INC.
(SHPOA)
BOARD OF DIRECTORS MEETING MINUTES
August 17, 2024

Board Members Present:

Tim Richardson
Chris Crowell
Kim Chatman
Cecelia Bentz
Mike Monteleon
Robbie Boulete

Admin Assistant:

Kristie Fraga

Bookkeeper:

Teresa Eddinger

President Tim Richardson called the Board meeting to order at 9:03 a.m. and established a quorum. This month's meeting was held at Tim Richardson's home. Board members were present by both zoom and in person.

APPROVAL OF MINUTES:

Through email, Kim Chatman made a motion to accept, with changes, the July minutes with a 2nd by Cecelia Bentz, and approved unanimously.

TREASURER'S REPORT:

The treasurer's report ending 7/31/2024 was presented to the Board. The beginning bank balance on 7/31/2024 was \$121,493.06 with credits of \$110,001.25 and expenses of \$4,821.95, leaving an ending bank balance of \$226,672.36.

The property collections report for 7/31/2024 was presented for approval. The prior maintenance fees still outstanding for 7/31/2024 are \$102,065.73; prior mowing fees still outstanding are \$10,115.00; current maintenance fees assessed for the 2024/2025 balance are \$33,225.60. Assessment fees in reserve are \$23,082.29.

Teresa went over the checks being paid for the month which included a check for \$150,000 for Tim to take to Vera Bank to open 3 new CD's, with fixed rates non-callable with staggered maturity dates, on Monday 8/19/24.

There was discussion on the process of attaching liens to properties. Teresa went thru the entire process of what is involved prior to filing a lien. A further step needs to be added to the process so that no lien is filed against a property until we are certain that the default and lien notices have been sent to the last-known address for the property owner. No debt should be written off without a lien being attached to the property. Teresa reported that so far this year we have collected \$1,300.00 in transfer fees. Teresa also explained the process of collecting the transfer fees.

Kim questioned, on the P & L the expenses for Mirror Lake and where they are reported. Teresa explained that the costs incurred were in our last fiscal year. Kim also brought up the depreciation that is reported and Teresa will get with the CPA about getting a depreciation schedule in place. Teresa will also be sending out an updated lien list as well as researching the returned certified letters.

Taxes, Annual Audit, Compilation, Auditor Requirements and Year-End Financials: Nothing to report.

Certified Final Demand and Settlement Letters: Teresa reported that out of the last batch of certified letters sent, we have had quite a few returned. Teresa will add an additional step (record owner search) to assure proper notice is given.

Liens:

Monthly Payment Plans: None

COMMITTEE REPORTS:

ARCHITECTURAL COMMITTEE: A storage shed was submitted for approval. Cecelia has a person, Dwight Durrett, for the ACC and Robbie and Mike both are hoping that they each have a person, Kim also mentioned that he might have a person. Chris will formalize a matrix for the incoming ACC to make the transition easier for them.

Fencing material was discussed and this was tabled for now.

MAINTENANCE COMMITTEE: Robbie mentioned that the rock/dirt pile that was delivered was filled with rebar however, Mike said that is not what he ordered and was going to call the supplier to come pick up and redeliver the correct material.

Robbie reported that the tennis court lights have been turned off. They were running 24/7 giving us a unneeded electric bill.

Kim proposed bidding thresholds, and they work as follows; \$0 - \$1,500 by approved contractors that have previously done work for SHPOA Level I, no bids required. \$1,501 - \$5,000 by approved contractors will require seeking 2 bids and \$5,000+ will require seeking 3 bids. The discussion concluded that we would try this but with the understanding that it would be hard at times to possibly get 2 or 3 bids. Kim made a motion to accept the procedure with a second from Mike and approved unanimously.

Next discussed was priority ranking for expenditures. Kim had previously sent out to the board the ranking and is attached to these minutes as Exhibit A. A motion was made by Kim to accept the priority ranking with a second from Cecelia and passed.

Sub II Boat Ramp: After the meeting a contractor is meeting with Robbie and Tim and property owner Brandon Poynter to discuss the burning and or removal of debris at Sub II as well as cameras, and the repairs of the drainage at the launch property, including the addition of a concrete drive to the actual launch. The Poynter's are not in favor of benches at the Sub II ramp due to some drug use late at night. We need to put some investment into that property (some pads with picnic tables, signs, cameras) to make a nice park like Sub III. We need to make sure we leave room for owners to be able to turn around when launching their boat. Various legal and possible drainage issues were raised, and the Board will consider them further before a vote on whether to accept the work that has been offered to be done and paid for by the Poynter's.

Sub III Boat Ramp: The gate is on track to being repaired. The electrical box is going to be replaced.

ASSESSMENT COMMITTEE: Nothing to report.

NOMINATING COMMITTEE: Nothing to report

OLD BUSINESS: Deed restriction letters were brought up next. A list of lots, violations and names will need to be sent to Kristie. Cecelia said before letters are sent out that the form notice letter will need to be revised to bring it into compliance with current Texas law.

NEW BUSINESS: Mike Monteleone made a motion to increase the petty cash fund from \$150 to \$1500, a 2nd from Chris Crowell and passed unanimously. Kristie will be responsible for this money. All cash paid out will require receipts. Mike also brought up getting a debit card for maintenance issues that come up. This was deemed a good idea but was tabled.

Cecelia gave a update on her meeting with the attorney.

Mike is working on getting a Sam Houston student to get our website up and running...more to come on that. Kim made a motion to transfer to QuickBooks online October 1st with a second from Mike Monteleone. There was no vote taken.

A motion to adjourn was made by Chris Crowell and a 2nd by Cecelia Bentz. The meeting was adjourned at 11:04 am.

Next Regular Meeting – September 21, 2024, at 9 a.m.

Priority 0 - Required by or to communicate Applicable Law

[eg. install signs that communicate statutory provision prohibiting dumping; updating violation notice letter form to incorporate concepts required by statute]

Priority 1 - Has the potential to result in personal injury to people

[e.g. replace missing railing at Sub 2 pier to minimize potential for someone to fall off pier into lake]

Priority 2 - Medium to high probability damage to property (SHPOA, residents and guests, third parties)

[eg. remove dead tree on reserve before falling following on resident's house; fix drainage at Mirror Lake to avoid berm collapsing and/or drowning trees now standing in water]

Priority 3 - Potential for loss of, vandalism, burglary, or theft of property (SHPOA, residents and guests, third parties)

[eg. fix camera and broken gate opener at Sub 3 boat landing to restrict access to residents with valid card key]

Priority 4 - Potential loss of opportunity for gain of revenue

[eg. facilitate paying fees via website to increase ease and likelihood of residents paying fees]

Priority 5 - Minor maintenance issue

[eg. fix club house air conditioner; trim bushes blocking subdivision sign;]

Priority 6 - Administrative matter (improvements or doesn't cause major disruption to the Board's efforts)

[e.g. convert to on-line Quick Books]

Priority 7 - Long term goal; nice to have; other

[e.g. replace all bulkheads at Sub 3 boat landing; build a new pavilion; build a swimming pool]

Exhibit "A"