Minutes - Heathlake HOA Board Meeting Public Session - Wednesday, Apr 03, at 7 PM.

I. Call to Order

* Evelyn, Gerrit, Don, Stephen, and Kasie are in attendance

II. Vote to Approve Previous Meeting minutes

* The previous official board meeting was Dec 6 combined with annual member’s meeting. Those minutes will be approved at the annual member’s meeting in December 2024. However, the board will approve the meeting minutes now as well for the board meeting portion.. Gerrit moves to waive reading of previous meeting and to approve. Evelyn seconds. Motion passed unanimously.

III. Agenda Changes/Approval

* Evelyn motions to add maintenance update to the meeting agenda. Gerrit seconds, motion passed unanimously.

IV. Board approvals since last homeowner meeting

* Met Jan 3rd and approved board member roles. Roles are:
	+ President - Evelyn
	+ Vice President - Kasie Randolph
	+ Treasurer - Stephen Woods
	+ Secretary - Gerrit Kirkwood
	+ Director - Don Brennan
* In Feb, the board voted to close schwab account and move funds back to investment accounts controlled by Graham Management. This removes the requirement to have individual board member signatory contro over HOA cash. Graham can offer similar similar rate of return on investments.
* In Feb, the board voted to obtain a Graham issued debit card that can be held by one or two board members (president / treasurer), for expenses that require a credit card and are too big/frequent to deal with as expense reports (ie, google account for data storage).

V. Executive Session Actions Summary

* Executive session was more of a working session, no actions or votes took place that warrant discussion in the board meeting.

VI. Board Reports

* Financial Update
	+ Stephen presented a budget summary from end of year 2023. Dec 2023 end-of-year report was shared. .
		- Similar cash position since end of 2022, slightly better investment position since end of 2022.
		- Gross income increased 5% based on dues increase.
		- Utilities were over budget in 2023, budget has increased 7% to cover the deficiency. Water/Sewer added 5% as well. New fees related to card readers.
		- trash/recycling - will be one bill instead of separate. Will include a variable energy charge moving forward.
		- Reimbursements from city of houston. Haven’t been paid for February yet, keeping an eye on it because it's’ been a problem in the past.
		- repairs/maintenance remains unchanged
		- Estimated 32k for capital improvement for 2024
	+ Stephen reviewed 2024 YTD financials
		- Homeowner’s assessment - graham is a bit sloppy about presentation in the financials.. They aren’t accruing them across the months as they should. Have 36k not yet collected as of Feb which is not abnormal.
		- Collection activities on late assessments and fees from previous years are in process.
		- Clubhouse rentals go to a paypal account to avoid people writing checks. Funds transferred periodically to Graham account.
		- Contract services - ADT has not yet charged us but we expect a monthly charge near $50..
		- City patrol services invoice is booked against ADT incorrectly, board working with Graham to correct.
		- Overall, no surprises in terms of expenses, but some messy accounting by Graham that needs to be cleaned up.
* Security Update
	+ Don presented security update. Mahabat, City Patrol services owner came to the meeting to discuss the change from State Patrol to City Patrol. All officers and assets are unchanged between State Patrol and City Patrol.
	+ Website references to State patrol are being updated to City Patrol. The email address for state patrol vacation watch is not currently monitored and updated address for city patrol vacation watch has been sent out as HOA email blast.
	+ Phone numbers are unchanged from State Patrol numbers.
	+ Reviewed recent incident at 1:30am a few months ago, suspicious person was hiding behind vehicles and attacked the city patrol officer when she was confronted. Ended up being tazed to control her. HPD was called and took her into custody.
	+ No reports from any other residents about abnormal issues
	+ City Patrol currently monitors 7 different HOAs with many in our area.
* Maintenance Update
	+ For capital improvements and maintenance, we had planned in Dec 2023 to spend 7k to replace the awning (not in 2024 budget because it was expected to be done), and 32k for A/C replacement and insulation update. Paint the bridges to preserve them. Cosmetic updates (sheetrock repairs, paint) in the clubhouse, and to repair or replace the retaining walls.
	+ In Jan we discovered that the deck is leaning (still safe, but expected lifespan is less than originally expected). For this reason, the awning has been put on hold.
	+ Decided that it would be worth having Civil engineering drainage assessment done because of movement of deck, continued movement of the tennis courts, and deterioration of retaining walls prior to making any final decisions.
	+ Started to bring contractors in to get better estimates for what repairs/updates will cost.
	+ James Healey presented summary of draining/retaining wall/deck scope. Reviewed 2022 internal capex study and 2023 reserve study.
		- Dynamic Construction came out and opened up the deck columns to inspect. Columns are steel on concrete footings, clad with wood cosmetic frame. Wood part is starting to rot and be infested by pests.
		- Need to have a structural engineer make a recommendation about the leaning column and the exterior storage room wall
		- The retaining wall at southwest corner is holding up the neighbor’s yard. Has drainage coming through and starting to attack that wall.
		- Most of the drainage issues around the tennis courts can be resolved by moving some dirt around. Landscape (dirt) estimate is about $5k. We expect all-in cost to be closer to $15k. Original reserve advisor estimate was $31k, but that was for a different scope.
		- Country Village is installing 2 new tennis courts. Their contractor came out to look at ours and disclosed the following: Country village is leveling ground, adding 5” concrete, new fencing - $260k overall cost. They had a large special assessment to get this work done. We have access to their facilities via the amenities sharing agreement. And so we can take advantage of their new amenities while we’re making a plan for Heathlake.
		- For our courts, re-sealing doesn’t fix existing cracks. ⅛” asphalt top coat only lasts about 3 years. Expect $12-14k to reseal every 3 years.
		- Framing repairs underneath the building, adding ventilation to the storage room - add concrete curb so water doesn’t rot the wood, add vents for airflow. Approx $15k
		- Redoing deck - approx $10-15k depending on scope desired.
		- Need to ensure that any major changes in terms of clubhouse, deck, and drainage, we need an architect to ensure there is a firm plan, for which then individual scopes can be executed, but still follows the overall plan.
		- An architect/engineer plan for the clubhouse/deck/grounds is expected to cost about $12k to generate a holistic plan / scope of work that could then be sent out to contractors for bid.
		- All of the above maintenance items and estimated costs are very high level assumptions for the obvious near-term problems. None of these were in the budget for 2024. It is believed by the board that we need a more comprehensive idea on all repairs needed on the property over the next few years. The reserve study last year was a good financial plan. But now we need contractors to come out and make a construction plan. Once we have this longer term construction plan, we can determine how to move forward with doing the work.
		- A committee with cross-section of the neighborhood can be formed once we have some architectural plans to view and to align on a plan going forward and how to proceed. Do we approach this in pieces? Do we work toward a special assessment to get it all done at once? Doing this work in pieces will be a challenge with the annual budget we have. It is difficult to get a lot of work done with only ~$40K/yr in budget for major maintenance.

VIII. New Business

* ACC Nominations - we had two qualified nominations.
* The board votes to increase the committee from 3->4. Gerrit motioned, Kasie seconded, motion carried unanimously.
* Evelyn motioned to and to appoint Debbie Wright as the newest member and to keep existing members Eric Nagel, Chris Kay, and Peter Forster. Don seconded, motion carried unanimously. [Note, Chris Kay is no longer on the ACC committee and so we have a vacancy]
* Volunteer Fair was successful and we have some new volunteers helping with communications, social events, and maintenance.
* Clubhouse/Pool Gate Access Fobs
	+ Old keycards no longer work. Contact Kasie for new keyfobs. The new keyfobs allow visibility and traceability of access to the grounds, and each keycard is tied to a household.
	+ Lost keyfobs can be deactivated. Found keyfobs can be reactivated again as well. Each keyfob has a serial number to allow activation/deactivation.
	+ First keyfob per household is free to residents, $25 fee for additional/replacement keyfobs to cover actual costs.

Official board meeting adjourned at 8:23pm. Opened up to resident open forum.

IX. Open Forum

Kirkwood landscaping was updated in Fall 2023. Most of the plants made it past the freeze. Lantanas froze, and we replaced them last weekend.

Trimming of palm trees in the monument is already scheduled with the landscapers.

New investments with Graham are CDs at FDIC insured banks.