

Village Creek Community Association, Inc.
Board Meeting Minutes
October 22, 2018

Pursuant to Article VI, Section 1 of the Bylaws of the Village Creek Community Association, Inc., a meeting of the Directors was duly called and held on **October 22, 2018**, at Longwood Golf Club located at **13300 Longwood Trace, Cypress, TX 77429**.

IN ATTENDANCE

Representing the Members of the Village Creek Community Association, Inc., were the following Board members:

Brian Martin (President)
Greg Davis (Vice President)
Cynthia Moody (Treasurer)
Gordon Watson (Secretary)
Ty Thomas (Director)

Representing Spectrum Association Management, LP, was:

Kim Gonzalez (Community Manager)
Otis Chandler (Community Manager)

Call to Order / Determination of Quorum

The meeting was called to order at 6:30 p.m. A quorum of Board members was announced.

Meeting Minutes

The September 24, 2018 meeting minutes were presented. Cynthia Moody made a motion to approve the meeting minutes as presented. Ty Thomas seconded the motion. Motion passed unanimously.

Constable Report

The Constable was unavailable to attend to meeting.

Financial Report

The Board was presented with the September financial report. Kim Gonzalez reviewed balances in the operating and reserve accounts. At the end of 9/30/2018, the Total Net Income Gain / Loss in Operating is -\$96,146.89. Otis Chandler and Kim answered questions regarding variances that have occurred year to date. Irrigation maintenance costs associated with damage that occurred when AT&T did work in the area was discussed. Otis talked about the pending recuperation of those costs that the Association is anticipating. Brian Martin made a motion to approve the financial report as presented. Gordon Watson seconded the motion. Motion passed unanimously.

Committee Reports

- **ARC** – Steven Winter reported that they processed (2) fence requests and (1) tree requests. He added that they were processed in less than (4) days. The committee would like to solicit more members.
- **Landscape** – Sherry Watson reported that the tree trimming by Pedro's Tree Service has been observed by Precinct 4 supervisor as being acceptable to their standards and meet their (14) feet clearance requirement over the street. There are still approximately 95 Association owned trees along the street that still need to be trimmed. The Board will need to consider taking action to trim additional trees.
- **Social** – Report was provided by Gordon Watson on behalf of chairperson, Lisa Rawles, that holiday decorating will be underway as well as planning for the Cookies with Santa.

- **Pool** – Gordon Watson reported that Greater Houston Pool Company was informed pool furniture needs to be stored outside and not in the pool house.

Old Business

- **2019 Budget** – The Board discussed various budget items including landscape contract costs which are exceeding the current budgeted amounts and contributing to reducing the necessary amount to Reserves fund according to the recommendations in the Reserve Study. A history of the assessment amounts was also mentioned. Homeowners expressed various opinions regarding increasing assessments.
- **Tree Pruning** – This item was previously discussed during the Landscape Committee report.
- **Minimum Front Yard Tree Requirement** – The Board is awaiting a draft from the attorney to change the minimum requirement of 3 trees in the front yard down to 2 trees minimum requirement.
- **Little Library** – Homeowners had questions and concerns about the Little Library installation and upkeep. Sherry Watson answered questions and advised that she and Peggy Barriga would oversee it once installed.

New Business

- **Insurance Renewal** – Insurance renewal documents were presented to the Board. There are still several proposals still pending.
- **Lake Management Renewal** – 2019 Lake Management Services contract was presented to the Board. Concerns about a sandbar developing in the lake will be followed up with Lake Management Services so that they can provide feedback.
- **Simplified Financial Report/Landscape Request for Quote/Sidewalk Water Issues/New Website & Electronic Sign** These agenda items were moved to Executive Session for the Board to discuss.

Homeowner Forum

Homeowners in attendance are listed on the sign-in sheet. Topics of discussion from homeowners included uneven sidewalks, the minimum number of trees in the front yards, park hours including at the basketball courts, prohibited vehicles and the steps the Association takes to address deed restriction violations.

Next Meeting Date

November 19, 2018

Adjournment of Open Session

With no further business to discuss, the Board adjourned into Executive Session at 8:36 p.m.

Executive Session

Two members of the ARC were special guests. The Board and the ARC discussed communications between the Board and ARC. Spectrum's ACC One-Touch process that was established to assist the ARC was also discussed. The Board reviewed the Aging Report and the Violation Report.

The Board requested a financial summary from Kim Gonzalez to be given at the open board meetings to highlight the bigger variances and larger expenditures. The Landscape contract was discussed. The 2019 bid for lake management was signed. Signs at the park will be changed from dawn till dusk to 8:00AM – 8:00PM. An email drive was suggested to increase communication with the residents. Website update was discussed.

The Board discussed the 2019 budget that was previously approved. After much discussion, all 5 Board members determined that it would be necessary to increase the assessments to a higher rate of 10%. The need to increase is driven by several factors: eight years without dues increase, a budget deficit of over \$96,000 to date (with no significant vital projects since the new Board started in July), steadily declining Reserve fund (30%

decline in 3 years), inability to add to the Reserve (\$42,000/year is recommended by our Reserve Study), and steadily increasing costs (such as tree pruning) to maintain our community. Concurrent with the dues increase, the Board is scrutinizing all of our current and future contracts as well as the Reserve requirements. We intend to keep the community fully informed as we proceed forward.

Adjournment of Executive Session

With no further business to discuss, the Board adjourned the meeting at 10:17 p.m.

Approved by the Board of Directors

Kimberly Gonzalez

Village Creek Community Association, Inc.

Spectrum Association Management