

Meadows at Kyle Annual HOA Meeting Minutes

Cabela's, 15570 South Interstate 35 Frontage Road, Buda, TX 78610

October 22, 2019 @ 6:30pm

Attendance: Board Directors: Cody DeSalvo, President; Steven Wolff, Vice President/Treasurer; Ginny Zink, Secretary; Committee Chairs: Cody DeSalvo, Governance Committee; Josh Freeman, Safety Committee; Jeremy Benavides, Community Events Committee; Vanessa Vaughan, Communications Committee; Cherie Grishin, Architectural Committee. Goodwin Management Company: Bobby Humphries.

1. Call to Order, Cody called to order at 6:30pm.
2. Roll Call and certifying proxies

Resident signup sheets and received mailed proxies were present.

Verification of Quorum

- The chairman of the meeting declared that a quorum of the voting Board and Homeowners were present as defined by the bylaws.
3. Approval of 2018 Meadows of Kyle Annual Homeowner Association Meeting Minutes
Copies of the previous meeting minutes were emailed.
 - Cody DeSalvo motioned to approve minutes.
 - Josh Freeman seconded.
 - Motion passed and minutes approved.

For President's, Vice President/Treasurer's, and Committee Chair's reports, the following detail was submitted prior to the meeting and highlights were reported verbally.

4. President's Report

We were able to repair the damage to sidewalks along Screech Owl and Kingfisher.

We have started publishing a quarterly newsletter to try and keep everyone up to date, the next one will be out next month.

We had a traffic study conducted on the kingfisher and on purple martin over a 7-day period using both visible and discrete (undetected) readers. During this time the unit measured 6280 vehicles (average 897 cars per day), 272 of which were driving above the speed limit of 30 mph. 257 were traveling between 1 and 5 mph above the limit while 14 vehicles were doing 6-10 mph over. 1 vehicle was doing 12 mph over.

Start Date/Time: 4/2/2019 at 13:00

Finish Date/Time: 4/13/2019 at 10:00

Posted Speed Limit: 30 mph

Average Speed (mph): 22 mph

Percent traveling 6-10 mph over: 0.22% (14)

Percent traveling 11+ mph over: 0.02% (1)

Reminder to cut, water, and weed eat your grass. We are having a longer growing season this year, it started early and may end early so just be sure to keep up with that.

We repaired lighting at the front entrance and made improvements to the gardens up front.

We installed a message board at the front entrance of the community on 10/3, we are going to relocate some of the shrubs around it to be make it more visible.

We conducted three community events this year, Christmas decorations contents, the garage sale, and back to school bash. Josh will work on doing a national night out event this next year while continuing some of the new event traditions we've started this year.

We made several updates to the HOA bylaws. We asked for feedback and participation via a letter to the community, email communication and three public meetings. You can find the amended bylaws online.

We sent several notes and letters trying to provide information on improvements that need HOA approval before completion of work. We also sent letters and notes about how to properly dispose of animal droppings while on walks.

We overhauled the Meadows of Kyle website so that information about our Board, meeting minutes, budget and everting you might want to know is there on the website, accessible at your fingertips: <https://meadowsatkyle.com>

5. Vice President/Treasurer's Report.
Oct. 3, 2019

<u>Financial Report</u>

CURRENT FINANCIAL STANDING

9/30/2019 Balance Sheet and P&L

Balance Sheet

Assets

Cash

CHK Western Alliance	\$17,281.70
MMA Western Alliance	\$42,670.61
Reserve MMA1 Designated RSV	\$57,408.92
Total Cash	\$117,361.23
Total Assets	\$117,361.23

Liabilities & Equity

Fund Balance

Fund Change 2015	\$8,711.80
Fund Change 2016	\$(8,497.89)
Fund Change 2017	\$29,738.75
Fund Change 2018	\$46,353.42
Tran Fr Prior Mgr	\$16,963.84
Current Fund Change	\$24,091.31
Total Fund Balance	\$117,361.23

Total Liabilities & Equity		\$117,361.23
P&L		
Income	\$142,281.63	
Other Income	\$9,018.35	
Total Income		\$151,299.98
Expenses		
Admin Expense	\$24,613.78	
Non Recurring Expense	\$6,970.77	
Property Expense	\$69,644.17	
Tax/Ins	\$ -	
Utility Expense	\$25,979.95	
Total Expense		\$127,208.67
Fund Change		\$24,091.31

BUDGET

12 Month Budget for 2020

- Total in Assessments \$16,526 per month. With a total per year of \$198,317
- Expenses \$189,133
 - The biggest expenses:
 - Management Fees (Goodwin)
 - Water and Sewer
 - Landscape
 - Pool
 - Reserve Account
- The budget is a very conservative budget. The budget does not include any projections for “Other Income”. In the future, preferably 5 years of the MAK fully occupied, there should be sufficient data to include “other Income” projections into the budget if the board deems it necessary.
- As of 9/30/2019 MAK has collected a total of \$9,018.35 in Fines and Working Cap entry fee. During 2018 MAK collected \$18,885 of fines and other income.

I have received a question by email asking if the MAK could lower the Assessment fee. This a tough question, and the answer is yes and no. I can explain. The HOA has it built in the budget a system that will allocate a portion of the funds collected in assessments for reserve. The propose of the reserve is to set aside funds for future repairs to the fixed assets that MAK owns.

Roughly \$6.00 of the assessment from each homeowner a month goes into the reserve. This is only fair because it helps ensure that each homeowner pays their fair share of the deterioration in direct proportion to the amount of time, they are owners.

Here is an example of why this is important. If some of the assets that the MAK owns need to be replaced and it costs a considerable amount of funds to do so. Then the MAK might have to use a “Special Assessment” to fund the repairs. The funds will most likely come in the

form of a loan and the debt service of that loan will be divided equally between all the homeowners. Now, this is not a fair thing to do and here is why. Let's say that the "special Assessment" will be for the completion of pool repairs that require a loan. The new homeowners that just moved in a few months ago will have to start paying that assessment and they never used the pool. While there are homeowners that have used the pool have been here for 4 plus years.

I have conducted a brief study of the HOA assessment to property value stabilization and appreciation. I compared what other HOA fees of HOAs in our region and compared that to the property values. My conclusion is that the higher the HOA fees that more stable the property values and the more the values appreciate in that community. Property values are directly correlated to HOA fees. The lower the fees that less stable the property value and the less the property appreciates.

RESERVE STUDY

A Reserve Study was conducted on 12/7/2016 by Building Reserves, Inc. The reserve study is a financial plan used to set aside the appropriate amount of money required for capital repairs and replacement for the development's infrastructure and surrounding assets. Reserve studies are one of the most reliable ways of protecting the value of the property's infrastructure and marketability. These studies help ensure that each homeowner pays their fair share of the deterioration in direct proportion to the amount of time they are owners. It is best that community associations avoid the use of special assessments or loans to fund major replacement projects. Funding capital repairs and replacement using special assessment and loans is less cost-effective than slowly accumulating reserves over time and investing the balance until the funds are needed for major projects. Below is the total suggested Annual Reserve Contributions for the next 30-Years.

Total Suggested Annual Reserve Contributions For Next 30-Years					
Years	\$	Years	\$	Years	\$
2018	\$22,600	2028	\$30,100	2038	\$40,100
2019	\$23,300	2029	\$31,000	2039	\$41,300
2020	\$24,000	2030	\$31,900	2040	\$42,500
2021	\$24,700	2031	\$32,800	2041	\$43,700
2022	\$25,400	2032	\$33,800	2042	\$45,000
2023	\$26,100	2033	\$34,800	2043	\$46,300
2024	\$26,900	2034	\$35,800	2044	\$47,600
2025	\$27,700	2035	\$36,800	2045	\$49,000
2026	\$28,500	2036	\$37,900	2046	\$50,400
2027	\$29,300	2037	\$39,000	2047	\$51,900

- Each year the Annual Reserve Contribution will increase by approximately 3%. To follow the average rate of inflation.
- The reserve account has a balance of \$39,731.98.

- In 2018 MAK has contributed a total of \$13,385.36 to the reserve account.

	Start Year	1	2	3	4	5	6	7	8	9	10
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
+ Reserves at Beginning of Year	\$12,001	17,395	40,138	63,697	77,589	101,252	119,640	146,403	158,794	185,691	215,191
+ Suggested Reserve Contribution	\$13,200	22,600	23,300	24,000	24,700	25,400	26,100	26,900	27,700	28,500	29,300
+ Planned Special Assessment	\$0	0	0	0	0	0	0	0	0	0	0
+ Estimated Interest Earned	\$73	143	259	352	446	551	663	761	859	1,000	1,121
+ Cumulative Expenditure, By Year	-\$7,879	0	0	-10,460	-1,483	-7,564	0	-15,269	-1,663	0	-11,134
= Projected Reserves at Year End	\$17,395	40,138	63,697	77,589	101,252	119,640	146,403	158,794	185,691	215,191	234,478

- At the beginning of 2019, according to the reserve study the MAK needed to have \$40,138 to stay on budget.
- The actual amount that the MAK has was \$39,731.98 with is \$406.02 below budget. That's only a 1% error.
- Based on the current budget, and the proposed 2020 budget, the MAK will be able to meet the 2019 contribution of \$23,300 and the 2020 contribution of \$24,000.
- Each unit contributes \$6.00 dollars a month.

STRENGTHS AND WEAKNESSES

Strengths

- The Assessment of the MAK covers all the expenses without any additional funding.
- The MAK receives additional funding in the form of Working Capital contributions from new homeowners and assessment fines from covenant violations.
- The MAK has a Reserve Account that is built into the budget.

Weaknesses

- Has been under Homeowner control for one year.
- There have been large expenses that the HOA has had to pay.
- Increase landscaping cost

6. Manager's Report

7. Committee Chair Reports

a. Safety Committee.

In October 2018 the Meadows of Kyle Homeowners Association (HOA) transitioned from DR Horton control to full owner-member control. The Safety Committee is responsible for overseeing the safety concerns in the community and common areas. Some things we have accomplished in 2019 include getting yield signs place at all 3 entrances of the roundabout as well as some striping to help with drivers entering the roundabout. There has been a sharp decrease in the amount of complaints of drivers turning left to exit out of the roundabout off of Kingfisher Lane.

We also have gotten approved and ordered signs to notify of deaf pedestrians in the neighborhood.

We performed a speed study on Kingfisher Lane for 7 days here are the results of the study:

Start Date/Time: 4/2/2019 at 13:00
Finish Date/Time: 4/13/2019 at 10:00
Posted Speed Limit: 30 mph
Average Speed (mph): 22 mph
50th Percentile: 23 mph
85th Percentile: 28 mph
Number Above Speed Limit: 272
Total Number of Vehicles: 6280
Percent traveling 6-10 mph over: 0.22% (14) Percent traveling 11+ mph over: 0.02% (1)

Some things I am looking at for 2019-2020:

1. Trail Lights for walking trails in Neighborhood preferably Long-Lasting LED Solar Lights.
2. Still working on Speed issues in neighborhood and working with city to try and have Speed Bumps installed. Urging residents to please slow down in the dark mornings while the younger kids are heading to their bus stops.
3. National Night Out Event in 2020 with KPD and BFD
4. Also working with City of Kyle about possibly lowering speed limit in neighborhood.
5. Residents getting out and meeting neighbors and getting information so if resident sees something that is possibly suspicious, they can contact resident then possible contacting of police if necessary. Be Vigilant if you notice something say something.

If any residents have any ideas or concerns please feel free to reach out to me: Josh Freeman, FreemanMotorsports4X85@gmail.com

b. Events Committee

In October 2018 the Meadows of Kyle Homeowners Association (HOA) transitioned from DR Horton control to full owner-member control. The Social/Events Committee is responsible for coordinating any events put on by the HOA throughout the neighborhood, including community yard sales, holiday lights contest, back to school pool party, etc.

We had over 75 people attend our recent Back to School pool party social. In our most recent community yard sale we had over 35 homes participate. We also have over a huge turn out for our holiday lights contest. We are tentatively looking to have the next garage sale on November 16-17th. We are also brainstorming ideas for our next community social and potentially something targeted for adults.

If you're interested in joining the Social/Events Committee please contact Jeremy Benavides (jeremy.benavides@gmail.com).

c. Communications Committee

Vanessa Vaughan

The Communications committee was established in 2017 and had been tasked with setting up a community website to provide updates to the community via web posts

and email blasts. After resident turnover in October 2018, under new direction of our resident controlled board, the committee made updates to the website to transition away from the Goodwin managed site. All important community documents and information is now centrally located on the website. The committee also worked with the board to create quarterly newsletters, infographics for the ACC committee, lawn care tips flyer, and other materials requested by the Board for communicating information to the neighborhood. The committee has also worked to establish new email address to be used by the board and various committees to ensure continuity and ease of use for current and future committee chairs and board members. A community marquee was also installed in early October 2019 to more easily share important dates and events with our neighbors. Our committee will continue with quarterly newsletters and will consider more frequent newsletters as necessary to keep the community informed. Ideally, we would like all residents to utilize the community website to keep up with news and events, and to minimize costs for printing and mailing.

d. Governance Committee

We made several updates to the HOA bylaws. We asked for feedback and participation via a letter to the community, email communication, and three public meetings. You can find the amended bylaws online.

c. Architectural Control Committee

In October 2018 the Meadows of Kyle Homeowners Association (HOA) transitioned from DR Horton control to full owner-member control. The Architectural Control Committee (ACC) is responsible for reviewing all applications for improvements your property and homes.

Improvement Application Stats

Whenever an owner applies for approval to make an improvement to their property our community management company, Goodwin, loads the applications into an automatic tracking system. This starts the process of reviewing the application.

The ACC has committed to working through and responding to ALL applications within 3 business days, most application are reviewed and responded to within 5-8 hours of after they are received.

The number one reason for delays in approval is insufficient information in the application. Providing details about your project virtually assures an immediate response.

Yard of the Month

Beginning in June the HOA Board implemented a “Yard of the Month” program. ACC leads this program by submitting one nomination per street each month for the Board’s consideration as “Yard of the Month” Any resident can also submit nominations through the neighborhood website.

8. Open Forum (Sign Up)

- a. Jesse Gessel, 150 Kingfisher.

- Five houses down from traffic circle, there is an open easement behind house, with two fence lines and an 8 foot gap and a sprinkler system between, with no grass, so becomes mud pit. Now with no rain, there are giant cracks. Cody: Will have landscaper take a look.
 - What is the watering code? Cody: City of Kyle has ordinances, but our water comes from outside of City of Kyle, Goforth. If they have not issued reduced water, then okay.
 - Do we need to contact the ACC if we make changes to bushes, install a new tree, plant? Cody: yes, they need to approve. Recommend asking prior. Exception is repair to house back to what it was; if it is a modification, then first need approval. Guide is on meadowsatkyle.com website.
- b. Robert Vasquez, 299 Kookaburra Bend.
- What about a gate to our community for added safety? Cody: Yes, if we buy the roads from the city and we get permission to put up a gate and we take on maintenance costs.
 - Got a violation for trash can with no notice. Cody to review with Goodwin.
 - Wants to know more about the budget and how funds are spent. Steven offered to go over the budget in detail, in person.
- c. Elizabeth Chavez, 184 Kookaburra Bend.
- Higher sewage fee was brought up last year, where does this stand? Cody: Result of research showed that our sewage fees are the exact same.
 - What about water fees? Cody: We have no ability to negotiate water with Goforth.
 - Is there any way to set a threshold for a review of reserves? Steven will look into an appropriate cap.
- d. Sherri Muehlbach, 190 Northern Flicker.
- The role of pool monitor, are they there to enforce the rules? The rules are posted, but so many people are breaking the rules, with # of guests, glass containers, etc. Cody: The vendor has been contracted several times and we have been comped for days that services were not provided. We look at vendors every year to see how they have responded. Sherri: Young kids are afraid to enforce. We need a sign at the gate, not just in the back. Cody: We will look into a sign for up front.
 - Dog poop is everywhere. Walk with a walker and it gets on wheels. Cody: we want to echo that. We need good citizen behavior in our community. We also have a lot of stray dogs. Always good to politely speak to the owner if identified. If anyone sees violations, contact Board and issue a citation report on our website – pictures “in action” are the most helpful. There are city ordinances, and these are posted to our website.
- e. Alicia Flores, 148 Kookaburra Bend.
- Dog is constantly barking in nearby yard. Went to speak to neighbor, but it did not help. Frustrating. Also, there is loud music late at night. Cody: Both are covered by City of Kyle Ordinances. Recommend most reasonable action first, as you have done. If no response with speaking with each other, call the police, per the City Ordinances.
- f. Candice Edwards, 241 Purple Martin.
- Name of neighborhood has not being changed. Cody: Our legal corporate name is “Meadow at Kyle,” but our sign will remain as the branding that was established and because of the cost to change the sign, by overwhelming decision of the Board.
 - Marquis location on Windy Hill is not easy to see and lets people outside of our community know what is going on. Cody: the placement was dictated by the City of Kyle, as where we had chosen was too close to easement of the homes.

- g. Charles Howard Jr, 436 Purple Martin. Mailings from Goodwin are an expense, is there a paperless option? Cody: We can make a form for people to opt out of mailing.... Might make it more difficult for successive Boards to widely communicate. Currently we send out mailers to all and email to all. Cody to contact Bobby how to do this easily and sustainably.
- h. Ranae Wolff, 170 Chickadee. For the record. Pool Monitor has been absent most of the time. Cody: The vendor paid us back for missed days for failure to enforce and it will be revisited for new year. They do a good job at cleaning and maintenance, but not the Pool Monitor work.
- i. Ashley Hernandez, 195 Screech Owl Dr. Would like more planned events for kids and for holidays. Really liked the back to school event. Cody: Our capacity to do events has to do with number of people volunteering to coordinate and run them. We are evaluating paying an event coordinator. There is a budget and we think we will increase the budget this year. If anyone wants to volunteer, let Cody know. Chair was given discretion as to how to spend \$2500 for this year. What was not spent will go into savings account for any unexpected expenses. We have room to reallocate during the same year, but there are other line items where there was overspending. \$1035 is left.

9. Board Election

Three Director positions were available, with Cody DeSalvo and Steven Wolff still in place, and Ginny Zink's one-year term at an end. Three new individuals stepped forward to offer to serve. Josh Freeman, Bill Jandt, and Chris Harrell were voted in as the three new Directors, to serve with Cody and Steven.

10. Meeting Adjourned at 8:40pm.

Action Items Log (see attachment for open activity and this past year's closed items)