

Summer Creek Homeowners Association Board Meeting

November 20, 2008



Attendance: Sarah Cohen, Bo Cung, Amanda Sanchez, Theresa Weddell, Tony Stutts, Jerry Stein, Bob Delveaux

Next Meeting: Thursday, Jan. 15th, 7:30-9pm Tony Stutts' house

Action Items for Next Meeting:

1. Tony will look into discussing the problem of students from Sue Crouch Intermediate and middle school students waiting for the bus damaging the Summer Creek corner area and loitering on neighbors' lawns and cars. He will contact both the police, Mike Vargas and Crowley ISD principal Stefani Allen of Sue Crouch Intermediate.
2. Tony will check with block captains and new neighbors to recruit a social chair.
3. Jerry will email Bob the financials balance sheet and profit and loss statement that is required for the state franchise back tax payments from 2005 to current.
4. Bob will find out if there is a minimum commercial revenue threshold to disqualify SCHA for the state franchise tax exemption number in the future.
5. Jerry will recalculate the reduced proposed budget for the 2009 fiscal year and send to the board.

Board Member Reports:

Tony Stutts - President

- Presented a letter from Susan Combs the Texas Comptroller, very clearly stating that since we have oil and gas money specifically called "commercial activity" revenue that SCHA is disqualified from the tax exempt status. Jerry suggests contacting the League of Neighborhoods contact Eva Bonilla in Fort Worth to see what their status is. Perhaps we can renew for the next fiscal year, after paying the back franchise taxes.
- The entrance is now lit on the corner of Columbus trail. This looks great, thanks to Theresa Weddell for managing this project.
- Tony personally verified that the sprinkler system is working properly now. We will be billed approximately \$200 in labor costs for replacing the broken heads. Tony will take care of the sprinkler system going forward. He expects future water bills will go down.
- Jungus Jordan reported to Tony that the city will pay for the water if SCHA will install the sprinkler system at the park.
- Jungus Jordan reported to Tony that the Summer Creek median drive landscaping is still planned by Chesapeake. This will include landscaping and irrigation all the way to the South end of Risinger to Sycamore School. This is a very strong verbal agreement, with no start date mentioned.
- Suggests finalizing a proposed budget for the next calendar year at tonight's meeting. Budget will be sent as an attachment to the minutes.

Jerry Stein – Treasurer – Official Budget Report

- Total assets now equal \$18,541 including checking account at Chase and the money market account at Edward Jones. Current accounts payable and other projected expenses will leave only \$7,600 by January 31st when next year's dues come in.
- Last year was a very expensive year. All the money is gone out of the \$25,000 from Chesapeake.
- Not including the \$25k anomaly for last year, the typical 4-yr spending trend that we are on track to continue for next year would produce an estimated \$9200 deficit, if the past expenses are used to predict the future expenses.
- \$31,800 is the total annual average revenue from 318 households without raising dues— (\$35,600 with raising dues). We should increase our dues by 10% to account for increased expenses and money for savings for unexpected expenses.
- Increases in dues plus decreasing the landscaping and hoping that the fence doesn't break at a higher rate than in the past of 16-20 panels per year should help us stay in the black.
- We may not be able to count on the same number of dues payers as we have in the past. Due to the poor market conditions we could see a decrease in paid dues in 2009.

Balance the budget discussion

- Board unanimously voted to second the motion by Bo Cung to raise dues 10% the maximum allowed in SCHA's covenants and by-laws
- Jerry suggests cutting back on landscaping and grass cutting services to \$7800 per year.
- Jerry recommended that the annual color flowers and sweet potato vines expenditures be reduced. It was suggested that we ask volunteers to help with landscaping maintenance (e.g., mulching, trimming trees and shrubs, etc). This would also help add to the sense of community. Theresa says this can save \$1000-\$1500.
- We should get several other bids for basic maintenance landscaping to make sure we still have the lowest bidder for the quality with Yard Smart as it has increased from \$650 to \$750 per month.
- Need to be much more conservative we have to reduce spending, including increases volunteer work opportunities for the community
- Bo suggests reducing the fence proposed budget, because there is now only one known failed panel. Tony agrees to cut it back to \$10k, Bo agrees.
- Tony suggests putting in an official line for savings or contingency to reserve the extra money specifically for the fence should an increase number of panels fail.
- Sprinkler budget leave it at \$2,000
- Directory – reduce to \$700 by changing the e-mail as the primary medium.
- Flyers, newsletter – Sarah motions to leave the budget the same as advertising in the future may offset the cost.
- Franchise Tax – unknown amount of back taxes will be owed and we do not know the amount possibly up to \$400.
- Legal budget \$400 (for filing liens for past due accounts) voted to keep as is.

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- Insurance budget reduce for \$650 next year since an invoice has already been received.
- Water budget - reduce to \$3500.

Bo Cung - Weeds and Deeds

- Reported a problem with school kids loitering in the yard and on the cars of the resident on the corner of 8908 Dusty Way. The police have said that the school is in charge of the kids until they get home, and the school says that it is not their jurisdiction. Tony will look into the issue for Kimberly and Jimmy Montez who live on 8029 Dusty Way and her request for help from SCHA.
- Tony will look into getting a police officer patrol, Mike Vargas, or Jungus Jordan involved in the issue of school children loitering.
- 2/3 of the brick perimeter is original. The rest of the brick panels have already broken and have been replaced. The original panels are expected to fail at a rate of 10 per year, and repairs cost \$1,000 per panel.

Bob Delveaux – Website

- Proposes a \$50/month flat rate to advertise on the website (separate from advertising fee for the newsletter), since Calloway's is on the website now and receives this rate.
- Calloway's gives SCHA a \$50 certificate for yard of the month winner
- The board is in general agreement that neutral business' can advertise but that we will accept advertising from any private organization that is legal, but we reserve the right to refuse.
- Bob will find out if there is a minimum threshold for income to make us ineligible for the franchise tax exemption number. We will revisit this issue next month.

Theresa Weddell – Landscaping Report

- The basic monthly service of \$750 a month to Yard Smart includes mowing, weed-eating, edging, blowing, and spraying Round-up herbicide to all shared areas including the alleys in addition to trimming all trees and shrubs less than 8 feet tall. They have a good service record.
- Other contractors have been fired last year for poor service and lack of resources.
- Water bills were extremely high last year due to all the new planting.

Sarah Cohen –Newsletter

- Sarah needs a report for the newsletter before Thanksgiving this year.
- Newsletter needs to be out before Dec. 11 which is the ladies ornament exchange. Bob has posted all the preliminary information on the website. All board members agreed to this deadline.
- There is a problem with kids riding bikes in the middle of the street before and after school on Wildflower Way and Ocean Drive. Sarah will put an article about bike safety in the newsletter.

Amanda Sanchez –Secretary