**CANYON LAKE FOREST POA June 8, 2024**

**ANNUAL MEETING MINUTES**

**Board Members in Attendance**- President Monica Orms, Secretary Pam Rabke, Pool Director Debbie Hardy. (3 of 5 present: Quorum established).

**Pledge of Allegiance**

**Members Attending**: 42 homeowners signed in (not including Board members). Meeting was called to order by President at 10:04am.

**May 16, 2024 Meeting Minutes**: Copies were available and had been posted to the webpage. Secretary made motion to approve as written, second by President. Minutes approved.

**OFFICER/DIRECTOR/COMMITTEE CHAIR REPORTS:**

**POOL**: New pool cards are being activated when needed. The new pool signs with updated rules are up. Painting of trim is close to being done. She hopes to complete painting of the benches and the pool bathrooms in the fall. Hoping to do some minor landscaping and cleaning.

Shade awnings were approved last year but we were unable to start that project, primarily due to our priority of maintaining a 2.5 year cash reserve. Some feedback from homeowners had expressed concern about shade awnings on the east side of the pool detracting from the view, so the Board is proposing to change the location of the new shade awnings to the other side of the pool near the parking area. Instead of 3 shade awnings over the 3 existing benches, 2 shade awnings with benches and picnic tables would be built in each corner on the opposite side. Debbie moved that this be done, it was seconded and all approved.

Debbie update everyone on the bathroom problems that have occurred this year at the pool. The women’s toilet backed up again, requiring a plumber who came out and ran a snake and he found clog about 5 to 7 ft from drain. Plumber ran a camera and found some roots in the drain and those will be addressed. We will also remove all paper towels from pool bathrooms. Garbage cans are always available in each bathroom.

**Architectural Control Committee:** ACC acting member Gary Hines presented one request for approval: Lot 428, CLF1 (986 Hillclimb): All requirements completed: POA has received payment, documents (plans and drawings) and septic permit. and there were no variances. He recommended approval of the permit application, Monica seconded, Approved.

**CLUBHOUSE REPORT**: The President presented this report. The clubhouse has rented 7 times for individual events, and we have had two recurring standing rentals this year: Yoga meets every Thursday night and has for years, and a soccer team rented for 6 weeks every Wednesday night. There was some confusion over dates reserved for standing meetings at clubhouse, and when and if they could ever be bumped. The clubhouse rents for $250 to paying members which includes a $125 deposit. The deposit is normally returned when event is completed, building cleaned and key returned.

Regarding standing rental reservations, the membership previously voted to only bump reserved dates/times for special events like National Nite Out, election purposes, other events benefitting entire membership. We also changed rental terms for standing rentals. We will no longer refund the entire rental deposit of $250 at year end. We will keep to help cover utilities for the building. Whenever the standing rental/reservation ends, the group will receive the final deposit back. In addition, the standing weekly reservation will need to be renewed annually.

**ANNUAL LETTER:**  Copies were handed out to the attendees and the Secretary read the Letter aloud. The proposed Budget, included in the annual letter, was presented in the Treasurer’s report.

**TREASURER:** The President presented the Budget to be voted on for the coming year:

Total revenue required for operations that does not include non-recurring expenses is $54,379. Our Mandatory Dues dictated by the Bylaws are $24/yr. (Our Bylaws do not address how to raise dues so we have to rely on other legislation.) In order to cover operations, our special operations assessment (not a capital improvement assessment) needs to be raised from $36 to $51/yr. For 2024-2025 our annual dues need to be ($24 + $51 = $75/year). Using an expected 90% collection rate, we expect 675 of 731 owners will pay the $75/year generating $49,275 in income. Based on these assumptions, we expect to generate an operating deficit of -$5,104. However, we expect other income consisting of fees and permits to adequately cover the deficit.

Next, the President presented the highlights from the May 31, 2024 financial statements, as compared to May 31, 2023:

On the Financial Performance, Total Dues of $44,428 is up about $1,858 over 2023, but Fees and Permits are $19,387, down $6,412.05 from 2023. Insurance expense for the year is up $3,422 which is not as bad as we expected. (Of note, we learned it is important to keep the pool season at the industry standard of May to September to avoid risk based increase in insurance.) Repairs were up due to replacement of pump house roof and repair of septic issues at the pool. Net Operating income for the 2024 was $10,078 which is down over $20K from 2023.

On the Statement of Financial Position: Cash on hand as of 5/31/24 is $99,904.79. Accounts Receivable are $22,091.85, which is $4,913 higher than the year before. We are not writing off and still trying to collect as much as possible. We have elected to not write off anything we may be able to collect in the future so we do not lose track of it. We expect to collect 50-70% of the past due accounts receivable. Regarding fixed assets, the value for the pool has increased because of pool renovations; and of course we added the pool security system and renovated the Tennis/Pickleball court.

**VOTING FOR NEW BOARD MEMBER AND ACC COMMITTEE MEMBERS:** The President announced the 3 known nominees for the open positions and allowed them to say a few words (Michelle Imes was unable to attend to attend meeting). She announced anyone was able to run as a write-in candidate (no new nominees). The ACC needs 3 members and only Martha and Gary are volunteering to run for the ACC.

Three non-board members were chosen to count votes (Charlotte Hines, Ronda Davis, Marilyn Gillum). Ballots were distributed (one per POA household). Once completed, these were added to the online voting ballots and counted by these volunteers.

**OLD/NEW BUSINESS:** The President presented a list of possible capital improvements with estimates of cost that had been previously researched by President and other board members. Included for discussion were:

* Clubhouse: A/C units (wall units (est. $1,200 each) to mini-splits ($7500 to $9000) or outside commercial ducted units est. at up to $28K); security cameras (clubhouse & sports court can be added to pool security for about ($2700 to $3000); new flooring at 4000sf of wood look lux vinyl ($24,000); clubhouse ceiling renovation (not feasible); toilet replacements ($250 each); refrigerator ($600).
* Pool: New toilets (3 at $250 each); dirt to fill holes in grass area; sprinkler system (($2500 to $4000)
* Grounds: Tree Trimming ($2-$4K); New Signs at Pool/Clubhouse entries ($400 to $600 each); repairs to clubhouse road; 24 2x4 blocks along the water-side perimeter of the clubhouse to block cut-through drivers ($4820)

The Board would like to prioritize:

A/C in clubhouse: wall units to match existing 2 newer units (members agreed this was best option) $2,400

Security cameras at sports court and clubhouse $3,000

Toilet Replacements $1,000

2x4 Blocks $5,000

 $11,400

**Calculation of monies available for minor capitol improvements/repairs:**

Current cash reserves (73% of needed reserves) $ 99,904

Less $6,000 for approved shade structures at pool - 6,000

Plus 2024 dues expected to be collected ($75 X 675 members) + 49,275

Projected 2024 Cash + Cash Inflow $143,179

Less 2.5 years of Budget to be held in Reserves ($54,379 X 2.5) -$135,947

Dues and Cash Available for Improvements $ 7,232

Maintenance Needed (not considered capital improvement): Clubhouse water leakage at Pool trim and benches: painting to be completed; shade structures (approved at 2023 annual meeting); painting of pool bathrooms and minor shower improvements.

**OPEN MEMBER FORUM**

The President brought up the possibility of retaining an attorney to determine if we could identify our full dues assessment as mandatory, which she believes might be in line with the updated Texas Property Code. Our Bylaws currently provide for $24 per year mandatory assessment and a voluntary assessment to meet operating needs. The members discussed the need and difficulty of changing the By-Laws. Different views were expressed, both for and against making the full dues mandatory and the majority were in agreement with this. As far as changing the Bylaws, the members were more divided. The President would like to meet with an attorney familiar with Texas Property Code to identify what our options are.

**ANNOUNCE RESULTS OF VOTING:**

Unanimous approval for the 3 Nominees: Martha Hernandez (for ACC); Gary Hines (for ACC) and Michele Imes (Board position).

Approval of Budget and increase in Annual Assessment to $75 (one No vote)

**Need for Volunteers:** We are a small volunteer Board, and we really need people to step up and participate and/or chair committees (such as Sport Court committee; Facilities/Beautification/Grounds Committee; Social Media/Communications Committee). If you have a superpower, please think sharing your expertise (as much or as little as you can).

**Update on Boat Ramp**: They are going to add 15 single car parking slots, and they intend to have a turnaround for the boat trailers.

Capital Improvement Vote: Monica moved we approve the Board’s 4 priorities (A/C for clubhouse; security camera extensions, new toilets and the 2x4 Blocks to protect our property and roads from public area) for the total of $11,400. It was seconded and all approved.

**ADJOURNED:** There being no further business, the meeting was adjourned at 11:38am.