

Board Meeting Minutes  
Brookwood Hills II HOA  
2220 Laurel Court  
June 27<sup>th</sup>  
7:00 pm

The Board Meeting was called to order at 7:00 by President, Elston Eckhardt. A quorum was attained with all the Officers in attendance. Guests included members Dave Schnaiderman, Jim Cline and Jennifer Tompkins

Proof of Meeting Notice was affirmed. Meeting was posted 144 hours in advance of meeting. Posted on Website and email sent to all email addresses.

The minutes were not read but copies of the minutes were distributed to the Board. The minutes of the Special Board Meeting on June 6<sup>th</sup>. The motion to approve was made by Brian Tompkins, Vice President and seconded by Amy Sabol, Secretary.

Pert Durapau, Treasurer, was asked for her financial report. She reported we have \$16,308.96 in savings. We have been receiving dues payments and she has \$4,950 deposits pending. Including the pending deposits our checking will have \$15,728.34 as soon as the checks clear.

Eckhardt, President, moved through the documentation, plans and policies on the Agenda. Discussion on the Alternative Payment Plan was delayed until Budget Development later in the meeting. Eckhart had filed the Management Certificate in Tarrant County. There were several policies researched and written by Amy Sabol, Secretary. They are all policies required by our new Bylaws passed in October 2021. Sabol briefly explained the policies. There were four passed unanimously, a motion was made by Brian Tompkins and seconded by Ann Graves. The four documents are as follows: Resale Certificate, Initiation Fee, Document Retention Policy, and Disbursements of Funds Policy. Two were tabled for the next meeting so the board could examine closer, Records Production & Copying Policy and Rules Enforcement Policy & Procedures. The Rules and Enforcement Policy is a big one to discuss. Everyone agreed and we will need to address the policy soon. All policies will be placed on the website once approved.

The e-mail registry was discussed next. Brian Tompkins, VP, reported 42 (93 members) of our membership had replied to the request for email registry. He will continue to work on the registry.

Sabol asked for the board to look for an Architectural Committee. We will need 3 members and they cannot be members of board or our spouses. It was decided we send an email to ask for volunteers. Mr. Eckhart agreed to send out request. He stated he hates to send too many emails. The committee will help us make a plan for the fences along Central to keep our community cohesive.

Eckhardt turned the discussion to the Alternative Payment Plan Policy. The state of Texas requires all HOA's to have a payment plan available to its delinquent members. Mr. Eckhardt, President, had devised a plan of 4 payments which would include late fee and simple interest, The late fee is \$25.00. The 20% simple interest would be divided into 4 quarters. An example was given in the document. For a \$225 annual assessment deemed delinquent on July 1, a late fee would be added for a total amount of \$250. (30 days past the due date). To pay the debt, the alternative payment plan would allow four payments in the amount of \$67.25 ( $\$250.00 \times 0.2686$ ) to be made, respectively, on August 1, November 1, February 1, and May 1<sup>st</sup>. The plan would clear the debt prior to the next year's Annual Assessment being due. Ann Graves, Director, suggested a 3 payment plan to end the payments before the dues are billed again the next year. Pert Durapau, Treasurer, also requested 3 payments. The board agreed to the three payment plan. Mr. Eckhardt will rework his example and we will approve the payment plan policy at our next board meeting.

Currently we have 3 delinquent members. Two have balances of \$473.50 and one has \$1,219.00. Eckhart suggested we will need to take action on the member with \$1,219 in arrears. It will need to be discussed at the next Board Meeting. Sabol stated the delinquent members must be notified by Certified mail to inform them of the required proposed payment plan when it is finalized.

An hour long discussion on the Budget began. The conversations went back and forth between members. Brian Tompkins (Vice President), Pert Durapau (Treasurer) and Ann Graves, (Director), (Financial Committee) had worked on a budget proposal presented. Mr. Eckhart, President, had taken the committee's budget and inserted his budget along side the Financial Committee's. He added a column of his own to the Committee's and had written notes to the side. He had added to the expenses line items. He informed us Patty Jenkins, member, had offered to pay for Ice Cream Social and our directories. He questioned the budget missing line items for possible need for landscaping, grass replacement, tree trimming and irrigation. He stated with the severe Winters and Summers he believes we need to have something budgeted. He had also proposed the likelihood of at least 2 homes being sold to add to our revenues with our Initiation

Fee and Resale Certificate Fee. He stated we needed a balanced budget. The board began to work with the combined budgets provided by Mr. Eckhart and the Financial Committee. Each item was discussed line by line. According to the document (provided by the Committee) we currently have \$21,244.25 cash on hand. At the end of the fiscal year in May of 2023, the proposed budget would have \$18,665.08 of cash on hand. There would be an overage of **-\$2,579.17** if all was included in the Committee's proposal. Mr. Eckhardt's budget was closer to a balanced budget only being over budget by **-\$149.17**. Back and forth discussion continued...adding and subtracting was done as decisions were made. Mr. Tompkins, VP, tabulated changes on his computer as decision were made. He will clean up the spreadsheet with all our changes and we will approve at the next board meeting. (FYI: the minutes written above is not the actual budget it is timeline report)

There was a small discussion about dire circumstances on the horizon because a balanced budget is difficult with the growing costs and needs. The dues were established in 2014 at \$225. Inflation and costs have risen dramatically and there was a general feeling an increase may be pursued next Spring. A reserve is needed but how much?

There were several changes in the line by line items. Pert Durapau suggested a contingency of \$1,000. It was added to the budget to cover unknown expenses. Sabol stated it is not enough but it was agreed to by consent. Ann Graves stated we have completed much of the work on her landscaping/irrigation list last year. She did not anticipate more costs. Mr. Eckhardt worried when an unexpected expense like tree replacement/trimming or unexpected irrigation issues is huge problem for us. Our reserves will be quickly depleted when an unknown problem arises. On average a problem may be as much as \$3,000-\$5,000

The Financial Committee had suggested some infrastructure improvements in their budget, a Smart Water Meter (\$1,495) and a Double Check for Central Irrigation (\$2,250). The Smart Water Meter was delayed for a later time The Double Check was approved because of City of Bedford requirements and danger of backflow. The lighting on Edgewater was discussed but there was no vendor quote. There was research on costs. The GFI shuts off regularly during the Holidays and officers were stopping every night to reset. Estimates to replace lights and GFI were \$638.00. Mr. Tompkins and Mr. Eckhardt are in charge of the project.

As mentioned earlier, Patty Jenkins, Remax DFW Associates IV, has offered to pay for our directories (\$115.00) and our October "Night Out" ice cream social. Her kindness helped balance our tight budget.

The Budget changes were agreed to by consent. Mr. Tompkins will make changes and send to the board. We will meet to continue the policy discussion and more items for our Bylaws. The finalized budget will be available online and distributed to the members when it is approved.

Mr. Schnaiderman left early but was asked if he had any comments. He said yes. The dues need to increase 15%. You have to work too hard to make it work. The dues have not been raised for 5 years to his knowledge. Eckhardt thanked him for attending.

The meeting was adjourned at 9:08pm. The motion was made by Brian Tompkins and seconded and Ann Graves

After the meeting, Mr. Cline was asked for his comments. He stated that he believes dues need to be raised but we need to make sure the membership understands. He stated we need to send our minutes and budgets to the membership and keep the members informed. He said we need to prove to the membership we are following our Bylaws and being as transparent as we can be. He indicated there was some failure in the past to do so.