

THE CYPRESS CREEK LAKES PROPERTY OWNERS ASSOCIATION, INC. BOARD OF DIRECTORS MEETING WAS HELD ON WEDNESDAY, JUNE 24, 2020 AT 7:00 PM, AT THE CYPRESS CREEK LAKES REC CENTER LOCATED AT 10702 CYPRESS CREEK BEND DR., CYPRESS, TEXAS 77433.

DIRECTORS PRESENT

Rob Melloy
Dennis O'Connor
Jerry Ethridge
Ross Gallup
Stacey Fuselier (by phone)

IN ATTENDANCE

Liz Pettit with Crest Management Company and James Nguyen with Hoover Slovacek.

CALL TO ORDER & ADOPTION OF AGENDA

Director Ethridge called the meeting to order at 7:00 p.m. A motion was made, seconded and carried to adopt the agenda as presented.

BUSINESS:

APPROVAL OF MINUTES

The Board reviewed the minutes from the November 12, 2019 Board Meeting. A motion was made, seconded and carried to approve the minutes as presented.

FINANCIALS

Director O'Connor reviewed the May 2020 Balance Sheet and Income Statement. As of May 31, 2020, the Association had \$1,355,709.31 in operating and money market accounts and \$209,466.76 in 3 CDs established for Capital Reserves. Accounts receivable totaled \$119,579.74. The Association's total Liabilities and Equity were \$1,693,826.81 as of May 31, 2020. Director O'Connor reported the Association to be 95.24% collected as of May 31, 2020. Director O'Connor reviewed the May 31, 2020 Income Statement.

BOARD BUSINESS

Director Melloy discussed the proposed memorial for Jason Knox. The memorial will be an area located at the entrance to the section where the Knox family lives and it will be a flagpole with the American flag and plaque. There is also a landscape design around the flagpole that includes a stone wall and flowers. MUD 374, MUD 433 and Cypress Creek Lakes Phase 3 POA are going to contribute. Phase 3 will be contributing the land, landscape maintenance and pay for the electricity for the spot light. EarthCare and IMS will be donating plant material. Both MUDs have committed to donating \$5,000. Director Melloy motioned to approve a contribution up to \$5,000 to complete the project. The motion was seconded and carried.

The Board discussed the 2020 Annual Meeting. It will be held on July 30, 2020. There will be 4 positions. Three for 3 year terms and one for a 1 year term. Directors Gallup and O'Connor will be re-running for their positions. The meeting will be held at the Phase 2 Rec Center. The Board discussed possibly using electronic voting.

The Board reviewed the Accounts Receivable Report. After a brief discussion, Director Melloy motioned to send the accounts that have not paid their 2020 assessment or made payment arrangements to the attorney. Director O'Connor seconded the motion. The motion carried.

Other Business:

Architectural Committee updates – Director Gallup reported they have received quite a few applications. Overall things are being kept up in the community. Director Gallup asked the members present to reach out to Crest if you see someone making some changes and you don't think they were approved.

Enhancement Committee updates – Director Melloy reported the community recently went out for bids for the landscape contract. The Board decided to stay with IMS. Some of the enhancement work has been done by IMS at cost through their contract and this work will offset the increase in the contract price since the funds for enhancement

were not utilized. With the situation with the pandemic enhancement committee work has been set aside for now. Activities Committee updates – Director Fuselier reported the Spring Fling was canceled due to the pandemic. The next planned activity is the Santa Event before Christmas. Phase 3 has not committed to coordinating any activities. Director Fuselier stated she will provide all information and contacts to the person on the Board who takes over that function.

OPEN FORUM

- A homeowner asked about posting the open positions on Facebook
- A homeowner mentioned people from Black Horse are coming over on golf carts and using the walking trail. He thought that was against the deed restrictions. *Director Ethridge stated it is against the deed restrictions to have motorized vehicles on the walking paths but it is something that is difficult to enforce. He suggested that if anyone sees someone in a golf cart on the walking path to let the police know and they can handle it.*
- A homeowner discussed his neighbor having rocks against the fence which has caused the water from rains to dam up and drain onto his property. *He asked what he can do about it. The Board suggested he speak with his neighbor about it and see if*

EXECUTIVE SESSION SUMMARY

Collections

The accounts receivable report was reviewed.

Deed Restrictions

The Board reviewed the most recent deed restriction violation report. Ms. Pettit asked the attorney to provide a status report on the deed restrictions matters at his office.

Enforcement Action

The Board reviewed one deed restriction violation that has received multiple letters with no response. A motion was made, seconded and carried to send the following accounts to the attorney for more enforcement action.

1200601015 – clean or repaint the attic vent above the garage.

Additional Board Business

Director O'Connor discussed the amount of money in the Capital Reserve account versus the recommendations in the Reserve Study. After a Board discussion, the Board agreed to move money from one of the cash accounts to the Capital Reserve account so the balance in the Capital Reserve account is in line with the Reserve Study recommendation.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:57 pm.

APPROVED



Board of Directors

08/28/2020

Date

**CYPRESS CREEK LAKES PROPERTY OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING**

DATE: Wednesday, June 24, 2020
TIME: 7:00 pm – 9:00 pm
PLACE: Cypress Creek Lakes Rec Center
10702 Cypress Creek Bend Dr.
Cypress, Texas 77433

AGENDA

Open Session - 7:00 pm

- I. Call to Order and Adoption of Agenda
- II. Approval of Minutes: 11/12/2019
- III. May Financials
- IV. Board Business:
- V.
 - A. Discuss and vote on contributing to the CCL Jason Knox Memorial
 - B. Annual Meeting –
 - a. Date – July 30, 2020
 - b. Positions up for election – 4 positions – 3 for 3 year terms and 1 for a 1 year term
 - C. Consider and Vote on accounts to be sent to the attorney for collections and deed restriction violations
 - D. Other Business
 - a. Architectural Committee Update
 - b. Enhancement Committee Update
 - c. Activities Committee Update
- VI. Open Forum

Executive Session

- I. Collections
- II. Deed Restrictions
- III. Additional Business
- IV. Adjourn

CYPRESS CREEK LAKES, P.O.A.
BALANCE SHEET
May 31, 2020

95.24% collected

ASSETS:

CASH

FIRST INTERNET BANK - MMKT	\$	4,180.00	
CIT - OPERATING		131,977.64	
CIT - PREMIER (2190)		1,001,822.38	
CAPITAL ONE		217,729.29	
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TOTAL CASH	\$		1,355,709.31

CAPITAL RESERVE

1ST INTERNET-12 MOS CD-9/2020		48,225.75	
1ST INTERNET-18 MOS CD- 3/2021		53,546.73	
1ST INTERNET-24 MOS CD-9/2020		107,694.28	
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TOTAL CAPITAL RESERVE			209,466.76

ACCOUNTS RECEIVABLE

2011 MAINTENANCE FEES		220.00	
2012 MAINTENANCE FEES		302.80	
2013 MAINTENANCE FEES		900.00	
2014 MAINTENANCE FEES		900.00	
2015 MAINTENANCE FEES		1,525.00	
2016 MAINTENANCE FEES		3,010.16	
2017 MAINTENANCE FEES		6,874.43	
2018 MAINTENANCE FEES		9,827.77	
2019 MAINTENANCE FEES		12,660.16	
2020 MAINTENANCE FEES		41,918.33	
2021 MAINTENANCE FEES		(2,860.30)	
FINANCE CHARGES		25,237.22	
PENALTIES		6,539.04	
LEGAL FEES		11,490.13	
DEED RESTRICTION EXPENSES		1,035.00	
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TOTAL ACCOUNTS RECEIVABLE			119,579.74

CYPRESS CREEK LAKES, P.O.A.
BALANCE SHEET
May 31, 2020

OTHER ASSETS

PREPAID INSURANCE	\$	9,071.00
ASSOCIATION ATV		10,511.27
VEHICLE DEPRECIATION		(10,511.27)

TOTAL OTHER ASSETS		\$	9,071.00
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TOTAL ASSETS		\$	1,693,826.81
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LIABILITIES:

ACCOUNTS PAYABLE - TRADE	\$	18,861.70
DEFERRED MAINTENANCE FEES		513,975.00

TOTAL LIABILITIES		\$	532,836.70
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EQUITY:

CAPITAL RESERVE

CAPITAL RESERVE FUND	207,283.77
CAPITAL RESERVE INTEREST	2,182.99

TOTAL CAPITAL RESERVE		209,466.76
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MEMBERS EQUITY	853,902.85
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CURRENT YEAR SURPLUS (DEFICIT)	97,620.50
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TOTAL MEMBERS EQUITY		951,523.35
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TOTAL LIABILITIES AND EQUITY		\$	1,693,826.81
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CYPRESS CREEK LAKES, P.O.A.
INCOME STATEMENT - BUDGET COMPARISON
For 5 Months Ended May 31, 2020

	MAY ACTUAL	MAY BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE	ANN'L BUDGET	REMAINING
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INCOME:								

CURRENT YEAR MAINTENANCE FEES	73,425	73,425		367,125	367,125		881,100	513,975
MAINTENANCE FEE - PENALTY	1,125	566	(559)	5,959	2,830	(3,129)	6,800	841
INTEREST EARNED	1,336	333	(1,003)	3,610	1,665	(1,945)	4,000	390
MISCELLANEOUS INCOME		41	41	10	205	195	500	490
UNCOLLECTED MAINT FEES					(25,000)	(25,000)	(25,000)	(25,000)
TOTAL INCOME	75,886	74,365	(1,521)	376,704	346,825	(29,879)	867,400	490,696
EXPENSES:								

ADMINISTRATIVE								

ADMINISTRATIVE CONTRACT	3,000	3,121	121	15,000	15,605	605	37,454	22,454
OTHER ADMIN EXPENSES		50	50	1,000	250	(750)	600	(400)
GATE FEE EXPENSE	400	100	(300)	700	500	(200)	1,200	500
OFFICE SUPPLIES		41	41	61	205	144	500	439
COPIES	48	250	202	291	1,250	959	3,000	2,709
POSTAGE	84	291	207	884	1,455	571	3,500	2,616
BANK CHARGES				60		(60)		(60)
INSURANCE	2,266	2,431	165	11,330	12,155	825	29,183	17,853
COMMUNITY MAIL OUTS					500	500	1,000	1,000
MEETINGS					200	200	200	200
ADMINISTRATIVE NOTICES							3,000	3,000
DEED RESTRICTION EXPENSES	55	208	153	285	1,040	755	2,500	2,215
RECORD STORAGE / EXPENSE	60	50	(10)	300	250	(50)	600	300
TOTAL ADMINISTRATIVE	5,913	6,542	629	29,911	33,410	3,499	82,737	52,826
LEGAL SERVICES								

LEGAL - CORPORATE		250	250	156	1,250	1,094	3,000	2,844
LEGAL - COLLECTIONS		1,250	1,250	88	6,250	6,162	15,000	14,912
LEGAL COLLECT-BILLED TO OWNER				(88)		88		88
LEGAL - DEED RESTRICTIONS		83	83		415	415	1,000	1,000
TAX PREPARATION / AUDIT							1,000	1,000
TOTAL LEGAL SERVICES		1,583	1,583	156	7,915	7,759	20,000	19,844

CYPRESS CREEK LAKES, P.O.A.
INCOME STATEMENT - BUDGET COMPARISON
For 5 Months Ended May 31, 2020

	MAY ACTUAL	MAY BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE	ANN'L BUDGET	REMAINING
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LANDSCAPE CONTRACT	13,050	15,196	2,146	75,212	75,980	768	182,362	107,150
ESPLANADE CONTRACT		1,734	1,734		8,670	8,670	20,808	20,808
LANDSCAPE EXTRAS		849	849		4,245	4,245	10,200	10,200
HOLIDAY LIGHTING				12,052		(12,052)	20,000	7,948
COMMON AREA REPAIRS	3,096	833	(2,263)	4,841	4,165	(676)	10,000	5,159
TOOLS		166	166		830	830	2,000	2,000
SUPPLIES		125	125		625	625	1,500	1,500
FUEL		20	20		100	100	250	250
PEST CONTROL	968	583	(385)	1,366	2,915	1,549	7,000	5,634
IRRIGATION REPAIRS		416	416	9,406	2,080	(7,326)	5,000	(4,406)
DEED RESTRICTION CHARGES		41	41	(600)	205	805	500	1,100
ENTRY REPAIRS		125	125		625	625	1,500	1,500
VANDALISM		41	41		205	205	500	500
REC CENTER/GAZEBO		41	41		205	205	500	500
TOTAL GROUNDS MAINTENANCE	17,114	20,170	3,056	102,277	100,850	(1,427)	262,120	159,843

POOL								

POOL CONTRACT	4,451	5,000	549	8,369	9,468	1,099	41,918	33,549
SPLASH PAD CONTRACT		83	83		415	415	1,000	1,000
GAZEBO		41	41		205	205	500	500
EXTRA SERVICES		83	83		415	415	1,000	1,000
REPAIRS AND MAINTENANCE	1,630	833	(797)	6,036	4,165	(1,871)	10,000	3,964
IMPROVEMENTS		250	250		1,250	1,250	3,000	3,000
FURNITURE AND EQUIPMENT		166	166	370	830	460	2,000	1,630
SUPPLIES AND POOL TAGS		41	41		205	205	500	500
TOTAL POOL	6,081	6,497	416	14,775	16,953	2,178	59,918	45,143

MAY ACTUAL	MAY BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE	ANN'L BUDGET	REMAINING
5,503	7,340	1,837	31,946	36,700	4,754	88,080	56,134
405	666	261	1,912	3,330	1,418	8,000	6,088
15,742	16,523	781	77,733	82,615	4,882	198,283	120,550
268	708	440	2,134	3,540	1,406	8,500	6,366
246	291	45	1,728	1,455	(273)	3,500	1,772
	83	83		415	415	1,000	1,000
	83	83		415	415	1,000	1,000
22,164	25,694	3,530	115,453	128,470	13,017	308,363	192,910
						100	100
				3,000	3,000	5,000	5,000
200	833	633	933	4,165	3,232	10,000	9,067
						10,000	10,000
3,000	3,333	333	14,440	16,665	2,225	40,000	25,560
	166	166		830	830	2,000	2,000
	416	416	900	2,080	1,180	5,000	4,100
						25,000	25,000
	250	250	239	1,250	1,011	3,000	2,761
3,200	4,998	1,798	16,512	27,990	11,478	100,100	83,588
54,472	65,484	11,012	279,084	315,588	36,504	833,238	554,154
21,414	8,881	(12,533)	97,620	31,237	(66,383)	34,162	(63,458)