

CYPRESS CREEK LAKES PROPERTY OWNERS ASSOCIATION, INC. HELD THE ANNUAL MEETING OF THE MEMBERS ON WEDNESDAY, JULY 24, 2019 AT THE CYPRESS CREEK LAKES PHASE 3 RECREATIONAL CENTER, 10080 CYPRESS CREEK BEND DRIVE, CYPRESS, TEXAS 77433.

CALL TO ORDER & CONFIRMATION OF QUORUM

Due notice having been given, the meeting was called to order at 7:01 p.m. The members were advised that a quorum was not present and pursuant to Article 3, Section 3.5 of the Bylaws, the meeting was adjourned without quorum and called to order at 7:02 and adjourned without quorum and called to order at 7:03 and quorum was met with 22 properties represented in person and 19 proxies presented.

INTRODUCTIONS

Director Melloy introduced himself. The other board members introduced themselves as well as Brice Beale with Hoover Slovacek. Liz Pettit with Crest Management introduced herself and the Crest Management team. Director Melloy mentioned Director Joe D'Virgilio resigned his position so the election tonight will include election of someone to complete the one year remaining on Director D'Virgilio's term. Director Melloy thanked the homeowners for coming.

CONSTABLES REPORT

Sgt. Alaniz with Harris County Constable Pct. 5 introduced himself and advised the homeowners that he works the Cypress Creek Lakes patrol contract as well as the additional hours paid by the POA. He reported there are 4 contract deputies who work under the contract and drive marked and unmarked vehicles. The response time averages 3 to 3.5 minutes when the Constables office is contacted directly at 281-463-6666. Sgt. Alaniz mentioned there are programs that are available to Cypress Creek Lakes homeowners such as the RAD program which is a rape defense program offered to women and Neighborhood Watch when you are going to be on vacation. Sgt. Alaniz discussed crime in the area and answered questions from homeowners

REVIEW AND APPROVAL OF 2018 SPECIAL MEETING MINUTES

Director Melloy asked the members present to review the minutes from the Annual Meeting held on July 25, 2018. There were no comments or questions. Director Melloy motioned to approve the minutes. Director Fuselier seconded the motion. All were in favor.

FINANCIAL REPORT

Director O'Connor reviewed the Year-End 2018 Balance Sheet and reported as of December 31, 2018 there was \$755,485.44 in the operating and money market accounts and \$202,158.37 in the Capital Reserve CDs. The accounts receivable totaled \$283,283.27. Total assets were \$1,256,677.33. Liabilities totaled \$313,621.29 and Total Members' Equity was \$740,897.67. Director O'Connor reported the 2018 collection rate to be 98%. Director O'Connor reviewed the Income Statement and answered questions from the homeowners.

ELECTION OF DIRECTOR

Director Melloy explained to the homeowners there would be an election of two directors. One for a 3-year term and one to fill the one year remaining of Joe D'Virgilio's term. Director Melloy mentioned Jerry Ethridge was the only name so far on the ballot and he opened the floor to nominations. No one from the floor was nominated or nominated themselves. Director Melloy stated he would agree to stay on the board in Director D'Virgilio's place. The floor was closed to nominations. Since there were two people running for two open positions they were chosen by acclamation and no vote was taken.

BOARD REPORT

Director Melloy discussed the Board's accomplishments since the last annual meeting:

- The ARC Guidelines have been updated.
- Worked with the County to install a mast arm signal light at Cypress North Houston and Cypress Creek Bend Drive rather than the cable type signal light.
- The pool was re-plastered for the first time.
- The security systems at the pool and splash pad are in the process of being updated.
- Two flag bollards were installed, one along Cypress North Houston and the other on Autumn Cypress, to represent Cypress Creek Lakes along its borders with Towne Lake.
- Worked with the Constables to take the appropriate steps to help with enforcement of the County Leash Law and the Scoop litter issues.
- The website was enhanced to add a ratings and recommendations section for businesses and vendors, as well as the communications and updates specific to Phases 1 and 2.
- The extra Constable patrols have continued.

Director Melloy reported on the pool movie night that was sponsored by the pool company. Attendance was lower than expected so he encouraged everyone to come out next year for a fun event at the pool.

Director Melloy invited anyone interested in getting involved in the community to join one of the Committees. Currently there is the ARC Committee, Enhancement Committee and the Activities Committee. Anyone interested in being on a committee should reach out to the Board.

HOMEOWNER FORUM

Homeowners discussed the following:

- How can lost traffic on Rockwood Park be diverted out of the area. Drivers do not realize there is a dead end when traveling west past the Cypress Creek Bend intersection. Director Melloy will talk to the County about a No Outlet sign.
- The timing of the new signal light at Cypress North Houston and Cypress Creek Bend is not sufficient for someone with a stroller or a wheelchair to make it all the way across. Director Melloy will report this to the County.
- Handicap ramps in the community need to be repainted. The Board will look into this and see if it can be a Boy Scout project.
- Is it possible to install soccer goals next to the lake by the splash pad? That property belongs to the MUD. There is not sufficient room for a soccer field at that location and the balls would be going in the lake.
- Homeowners discussed the speeding on Cypress North Houston.

ADJOURNMENT

There being no further business to come before the members, the meeting was adjourned at 8:34 p.m.

APPROVED

7/30/2020

Date



President

**2019 Annual Property Owners Association Members Meeting
Cypress Creek Lakes Phase 1 & 2, Sections 1 through 9
July 24, 2019
7:00 pm- 9:00 pm
10080 Cypress Creek Bend Dr. - Phase 3 Clubhouse**

AGENDA

- I. Call to Order/Establish Quorum
- II. Introductions
- III. Approval of 2018 Annual Meeting Minutes
- IV. Financial Report
 - A. 2018 Financial Report
 - B. 2019 Budget
- V. Election of Director(s) – 1 - Three Year Term, 1 – One Year Term
 - A. Nominations from the Floor
 - B. Introduction of Nominees
 - C. Vote
 - D. Election Results
- V. Homeowner Open Forum
- VI. Adjournment by 9:00 p.m.

CYPRESS CREEK LAKES, P.O.A.
BALANCE SHEET
December 31, 2018

98% Collected for 2018

ASSETS:

CASH

ALLEGIANCE BANK - OPERATING	\$	26,596.92	
ALLEGIANCE BANK - MONEY MARKET		186,478.35	
FIRST INTERNET BANK - MMKT		4,330.00	
MUTUAL OF OMAHA - OPERATING		241,819.38	
MUTUAL OF OMAHA - ICS		296,260.79	
TOTAL CASH	\$		755,485.44

CAPITAL RESERVE

----- 1ST INTERNET-12 MOS CD-9/2019		46,618.64	
1ST INTERNET-18 MOS CD-3/2019		51,881.87	
1ST INTERNET-24 MOS CD-9/2019		103,657.86	
TOTAL CAPITAL RESERVE			202,158.37

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		2,425.00	
2016 MAINTENANCE FEES		4,618.48	
2017 MAINTENANCE FEES		8,392.25	
2018 MAINTENANCE FEES		18,270.39	
FINANCE CHARGES		19,072.37	
PENALTIES		4,262.85	
LEGAL FEES		17,564.13	
DEED RESTRICTION EXPENSES		355.00	
RECEIVABLE FROM MUD374		206,000.00	
TOTAL ACCOUNTS RECEIVABLE			283,283.27

CYPRESS CREEK LAKES, P.O.A.
 BALANCE SHEET
 December 31, 2018

OTHER ASSETS

PREPAID INSURANCE	\$	15,400.00	
ASSOCIATION ATV		10,511.27	
VEHICLE DEPRECIATION		(10,161.02)	
TOTAL OTHER ASSETS			\$ 15,750.25
TOTAL ASSETS			\$ 1,256,677.33

LIABILITIES:

ACCOUNTS PAYABLE - TRADE	\$	22,311.15	
PREPAID ASSESSMENTS		291,310.14	
TOTAL LIABILITIES			\$ 313,621.29

EQUITY:

CAPITAL RESERVE			
CAPITAL RESERVE FUND		202,158.37	
TOTAL CAPITAL RESERVE			202,158.37
MEMBERS EQUITY		738,821.68	
CURRENT YEAR SURPLUS (DEFICIT)		2,075.99	
TOTAL MEMBERS EQUITY			740,897.67
TOTAL LIABILITIES AND EQUITY			\$ 1,256,677.33

CYPRESS CREEK LAKES, P.O.A.
INCOME STATEMENT - BUDGET COMPARISON
For the Year Ended December 31, 2018

	DEC ACTUAL -----	DEC BUDGET -----	VARIANCE -----	YTD ACTUAL -----	YTD BUDGET -----	VARIANCE -----	ANN'L BUDGET -----	REMAINING -----
INCOME:								

CURRENT YEAR MAINTENANCE FEES	73,425	73,425		881,100	881,100		881,100	
MAINTENANCE FEE - PENALTY	484	574	90	3,697	6,800	3,103	6,800	3,103
INTEREST EARNED	3,895	25	(3,870)	4,956	300	(4,656)	300	(4,656)
MISCELLANEOUS INCOME	20	49	29	150	500	350	500	350
UNCOLLECTED MAINT FEES					(25,000)	(25,000)	(25,000)	(25,000)
TOTAL INCOME	77,824	74,073	(3,751)	889,903	863,700	(26,203)	863,700	(26,203)
EXPENSES:								

ADMINISTRATIVE								

ADMINISTRATIVE CONTRACT	3,000	3,000		36,000	36,000		36,000	
OTHER ADMIN EXPENSES		50	50		600	600	600	600
GATE FEE EXPENSE	100	100		1,200	1,200		1,200	
OFFICE SUPPLIES	20	49	29	224	500	276	500	276
COPIES	110	212	102	2,460	2,500	40	2,500	40
POSTAGE	292	337	45	4,309	4,000	(309)	4,000	(309)
BANK CHARGES	40		(40)	345		(345)		(345)
INSURANCE	2,200	2,343	143	26,139	28,050	1,911	28,050	1,911
COMMUNITY MAIL OUTS				440	1,000	560	1,000	560
MEETINGS				365	200	(165)	200	(165)
ADMINISTRATIVE NOTICES				2,937	3,000	63	3,000	63
DEED RESTRICTION EXPENSES	685	212	(473)	6,155	2,500	(3,655)	2,500	(3,655)
RECORD STORAGE / EXPENSE		50	50	600	600		600	
TOTAL ADMINISTRATIVE	6,447	6,353	(94)	81,174	80,150	(1,024)	80,150	(1,024)
LEGAL SERVICES								

LEGAL - CORPORATE	1,281	250	(1,031)	6,461	3,000	(3,461)	3,000	(3,461)
LEGAL - COLLECTIONS		1,674	1,674	4,167	20,000	15,833	20,000	15,833
LEGAL COLLECT-BILLED TO OWNER				(4,113)		4,113		4,113
LEGAL - DEED RESTRICTIONS		87	87		1,000	1,000	1,000	1,000
TAX PREPARATION / AUDIT				1,030	1,000	(30)	1,000	(30)
TOTAL LEGAL SERVICES	1,281	2,011	730	7,545	25,000	17,455	25,000	17,455

CYPRESS CREEK LAKES, P.O.A.
 INCOME STATEMENT - BUDGET COMPARISON
 For the Year Ended December 31, 2018

	DEC ACTUAL -----	DEC BUDGET -----	VARIANCE -----	YTD ACTUAL -----	YTD BUDGET -----	VARIANCE -----	ANN'L BUDGET -----	REMAINING -----
GROUNDS MAINTENANCE								
LANDSCAPE CONTRACT	7,582	16,589	9,007	207,183	198,969	(8,214)	198,969	(8,214)
ESPLANADE CONTRACT		1,711	1,711	1,087	20,400	19,313	20,400	19,313
LANDSCAPE EXTRAS		861	861	5,868	10,200	4,332	10,200	4,332
HOLIDAY LIGHTING				16,164	20,000	3,836	20,000	3,836
COMMON AREA REPAIRS	480	837	357	22,831	10,000	(12,831)	10,000	(12,831)
TOOLS		174	174		2,000	2,000	2,000	2,000
SUPPLIES		125	125		1,500	1,500	1,500	1,500
FUEL		30	30		250	250	250	250
PEST CONTROL	75	587	512	5,548	7,000	1,452	7,000	1,452
IRRIGATION REPAIRS		424	424	85,727	5,000	(80,727)	5,000	(80,727)
DEED RESTRICTION MOWING	95	49	(46)	370	500	130	500	130
ENTRY REPAIRS		125	125	1,080	1,500	420	1,500	420
VANDALISM		49	49		500	500	500	500
REC CENTER/GAZEBO		49	49	1,290	500	(790)	500	(790)
TOTAL GROUNDS MAINTENANCE	8,232	21,610	13,378	347,148	278,319	(68,829)	278,319	(68,829)
POOL								
POOL CONTRACT	550	540	(10)	41,206	40,290	(916)	40,290	(916)
SPLASH PAD CONTRACT		87	87	945	1,000	55	1,000	55
GAZEBO		49	49		500	500	500	500
EXTRA SERVICES		87	87		1,000	1,000	1,000	1,000
REPAIRS AND MAINTENANCE		3,755	3,755	1,648	44,983	43,335	44,983	43,335
IMPROVEMENTS		250	250		3,000	3,000	3,000	3,000
FURNITURE AND EQUIPMENT		174	174	1,127	2,000	873	2,000	873
SUPPLIES AND POOL TAGS		49	49	31	500	469	500	469
TOTAL POOL	550	4,991	4,441	44,957	93,273	48,316	93,273	48,316

CYPRESS CREEK LAKES, P.O.A.
INCOME STATEMENT - BUDGET COMPARISON
For the Year Ended December 31, 2018

	DEC ACTUAL -----	DEC BUDGET -----	VARIANCE -----	YTD ACTUAL -----	YTD BUDGET -----	VARIANCE -----	ANN'L BUDGET -----	REMAINING -----
UTILITIES & SERVICES								

ELECTRICAL - STREET LIGHTS	13,226	7,055	(6,171)	85,047	84,660	(387)	84,660	(387)
ELECTRICAL - ENTRY/IRRIGATION	768	674	(94)	6,081	8,000	1,919	8,000	1,919
TRASH SERVICE	14,538	14,280	(258)	173,988	171,360	(2,628)	171,360	(2,628)
WATER & SEWER	517	625	108	8,517	7,500	(1,017)	7,500	(1,017)
TELEPHONE	244	299	55	3,442	3,500	58	3,500	58
REPAIRS AND MAINTENANCE		174	174		2,000	2,000	2,000	2,000
IMPROVEMENTS		174	174		2,000	2,000	2,000	2,000
TOTAL UTILITIES & SERVICES	29,293	23,281	(6,012)	277,075	279,020	1,945	279,020	1,945

OTHER EXPENSES								

TAXES - PROPERTY	246	100	(146)	246	100	(146)	100	(146)
COMMITTEE EXPENSES				1,055	7,000	5,945	7,000	5,945
COMMUNITY EVENTS	276	1,674	1,398	3,583	20,000	16,417	20,000	16,417
SPECIAL PROJECT		10,000	10,000	65,992	10,000	(55,992)	10,000	(55,992)
SECURITY PATROLS	4,640		(4,640)	40,990		(40,990)		(40,990)
MISCELLANEOUS EXPENSES		174	174	1,941	2,000	59	2,000	59
WEBSITE		424	424	3,400	5,000	1,600	5,000	1,600
CAPITAL RESERVE		25,000	25,000		25,000	25,000	25,000	25,000
DEPRECIATION EXPENSE	175		(175)	2,102		(2,102)		(2,102)
BAD DEBT		250	250	10,620	3,000	(7,620)	3,000	(7,620)
TOTAL OTHER EXPENSES	5,337	37,622	32,285	129,929	72,100	(57,829)	72,100	(57,829)

TOTAL EXPENSES	51,140	95,868	44,728	887,828	827,862	(59,966)	827,862	(59,966)

SURPLUS (DEFICIT)	26,684	(21,795)	(48,479)	2,075	35,838	33,763	35,838	33,763
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