

Minutes of the Annual Meeting of
The General Membership of the
Peninsula at Mystic Shores Property Owners Association
April 13, 2019

The Annual Meeting of the General Membership of the Peninsula at Mystic Shores Property Owners Association, a Texas non-profit corporation (the “Association”) was held at the Mystic Shores Community Center, 25801 FM 306, Spring Branch, Texas 78070, pursuant to a call by the President of the Association.

Directors Present: Gary Kasch, Jana Kovar, and Steve Broadway

Also Present: Camille Belcher represented FirstService Residential and recorded the minutes. FirstService Residential’s Community Administrator, Lee Sexton-Mendoza assisted at the registration table.

Call to Order: President Gary Kasch called the meeting to order at 10:00 AM

Quorum: 51 homeowners were present in person or by proxy, so the quorum of 10 % (26 homeowners) was met.

Affirmation of Notice: The notice for the meeting stating the place, date, and hour was delivered by written communication addressed to the members at their last known address, as required by the Bylaws.

Introduction and Opening Remarks: Mr. Kasch, President, chaired the meeting for the Association. He introduced Camille Belcher, Community Manager and Lee Sexton-Mendoza, Community Administrator.

President’s Report: Mr. Kasch reported there was an assessment increase in 2019 to \$ 660, but as reported at the 2017 Annual Meeting, assessments were scheduled to increase in 2019. The next scheduled 10% increase will be in 2025 to \$ 720.

He reported that approximately \$ 305 of the \$ 660 yearly assessment is placed in a reserve fund each year for future road maintenance. Reserve transfers, as a percent of revenue, was approximately 40.7% for the 2018, and the expected percent for 2019 is 46.2%.

In 2017 the security system at the gates was updated with the installation of 7 new cameras, a DVR, other associated equipment, and a one year contract for a DVR / Camera Monitoring Service (total cost = \$13,715.17). Since the security system was not part of a previous Reserve Study, the funding for it had to be paid for from the Operational Budget. However, there was not enough money in the 2017 Operational Budget to cover the unexpected expense in 2017, so the security system was initially paid for with a “loan” from reserves. The payback plan was developed to payback reserves over two years:

Loan from reserves	\$ 11,117.14
Paid back from 2017 committee savings	\$ 10,162.96
Paid back from 2018 committee savings	\$ 954.18

The Board contracted with Global Solutions Partners, Reserve Study professionals, to develop and update the Peninsula’s current reserve study. An owner asked if the study was based on today’s dollars. Mr. Kasch answered the study assumes a 2.5% increase each year. Major portion of assessments go into the reserve funds for future road repairs. Minor road repairs are included each year in the operating budget.

Another owner asked if contractors contribute to the cost of road repair? The Peninsula at Mystic Shores collects deposits and fees from builders/owners, and those fees will be increasing with the new ACC Guidelines. A portion of the fees help defray the road repairs.

Approval of Minutes: The minutes from the April 14, 2018 annual meeting of the general membership were presented. It was moved and seconded to approve the minutes as submitted, and the motion was approved unanimously.

FirstService Residential Presentation - Ms. Belcher explained the role of FirstService Residential Management Company and the Board:

- a) FirstService Residential carries out the decisions of the Board; acts as the resident liaison; performs administrative duties including accounts payable and receivable; prepares a draft budget for Board approval; facilitates meetings; coordinates with vendors; CC&R enforcement; stays informed of legislative changes, industry advances and advises the Board; and assists with the Association's operations to the Board and to the community at large.
- b) The Board of Directors' Role is to plan for the future of the Association, approve budgets and contracts, determine assessment rates, establish committees, and adopt policies and rules.

Election / Floor Nominations – Ms. Belcher announced that one position on the Board, currently held by Gary Kasch is expiring. Several owners thanked Gary Kasch for his years of service. Ms. Belcher announced that one candidate, Keith Tunnell, is on the ballot for this election. Gary Kasch called for any nominations from the floor, but there were none. Rather than fill out ballots, the owners present agreed by motion and a second to elect Mr. Tunnell by acclamation.

Financial Presentation - Steve Broadaway presented a comparison of the 2019 budget to 2018 budget, and the 2018 actual expenses. Actual income in 2018 was greater than predicted, \$ 17,422, which was attributed to the fees associated with new home builds. The actual operational expenses were less than budgeted due to community volunteer effort, allowing \$ 31,677 extra to be transferred to Reserves. The net income (Income minus expenses including Reserve transfers) was a positive \$31,677.

Mr. Broadaway also presented a comparison Balance Sheet showing Total Assets as December 31, 2018 wer\$ 1,071,926 versus the Total Assets at December 31, 2017 of \$ 942,733.

Slides explaining a new Reserve Study was performed in 2018. It had been 3 years since the last one. Global Solution Partners made a site visit to verify conditions and remaining average life expectancies of assets. Field measurements were made, and photos were taken. The Reserve Study Committee, which included the Board, Greg Petch, and Marty Rolleg reviewed the first draft and suggested additional detail about ongoing preventative maintenance and capital equipment.

Reserve Study Findings included major repaving expected in years 2027-2031, at a total cost of \$ 1.6 million. Each year some road maintenance is done: in 2017, \$ 13,233 and in 2018, \$ 11,749.50. A forecast including future inflation and based on a conservative growth rate for our investments was performed. Base on this forecast, a 10% increase in Property Owner Assessments every 4 years will provide adequate funding to cover these future expenses for the foreseeable future.

Committee Updates:

Maintenance Committee - Betsy Kasch, chair of the Maintenance Committee, introduced the committee members Doug Digman, Duane Weldon, Bill Wyman. Doug Digman will be the new Committee Chair, and the Board liaison will be Keith Tunnell. Mrs. Kasch presented accomplishments to date, including roadside shredding as needed, quarterly gate maintenance, semi-annual guardhouse air conditioner maintenance, annual ant control, deep root fertilization of all trees in common areas, and removal of dead Rose Bud tree at entrance. Also, Road repairs and weed spraying, plus replacement of damaged road sign were accomplished. Betsy announced that with the help of volunteers, the maintenance committee realized about a \$4,000 savings from the 2018 Maintenance budget.

There was a question about a wash-out area on Saga. The owner asked if repair was budgeted. There is an area that is swampy which remains wet, but is being monitored. This area was also checked during the Engineering Study with core samples taken.

A to do list for the coming year was prepared for the incoming committee members.

Architectural Control Committee (ACC) - Charlie Kahn announced there are currently 70 homes completed in The Peninsula at Mystic Shores, 10 more are under construction, and about 20 additional applications have been received and are pending. He also said that several renovation/addition projects are in progress. The latest version of Architectural Guidelines, Version 3.4, is pending approval and will be posted on www.peninsulapoa.com when it is complete.

A question if non-refundable infrastructure fee is being charged to the contractor or to the homeowner? It is charged to Homeowner. Another owner stated about six months ago there was a discussion about solar panels, and he wondered if guidelines have been updated. The new guidelines addresses solar panel requirements in more detail.

Term for a committee member is two (2) years, and the committee is looking for volunteers. No special knowledge is required. Members are rotated every six months to provide continuity. Contact Bruce Frey at bruce.frey.acc@aol.com or call 713-315-7556 if interested.

Neighborhood Watch Committee (NHW) - Kearney Morgan asked that all residents be watchful and if they see issues, call the committee. Marty stated that committee members attend 1 to 2 Mystic Shores NHW meetings a year and attend Peninsula NHW meetings, as needed. He reminded owners that committee members only serve as the extra “eyes and ears” of law enforcement. They observe and report. They do not take action.

Mr. Morgan suggested neighbors should know each other and be involved in watching out for each other. Crime is down, but owners should put their garage doors down. Keep the Sheriff’s dispatch number and McKinley Security number handy should reporting be needed.

A question was asked about people tailgating at the gate. An owner approached a tailgater, but Mr. Morgan advised the best course of action is to take a photo or write down the license plate and let the NHW ‘gate keepers’ and McKinley security know.

Another owner asked for the cell phone number to contact the NHW about speeding. Mr. Morgan advised owners not to speed and set a good example/

Mr. Morgan said National Night Out will be Oct. 1st. He mentioned there had been two thefts at Devil’s Hollow and two people had been arrested.

An owner asked about where to obtain car stickers? Mr. Quattlebaum answered he had the stickers and there would be no charge for them. If any owners had old sticker, Mystic Shores would provide replacements.

Social Committee - Maria Broadaway, outgoing chair of the Social Committee, introduced the committee. Linda Solis is the new Chairman of the committee. In 2018, the committee welcomed 6 new families to the Peninsula with welcome baskets. The committee provided meals and support to assist neighbors in times of grief or illness. September was the last meet and greet. In November, the committee honored military members at a Veterans Day Event at the Community Center. The committee provided and set up new Holiday decorations and hosted the annual neighborhood Christmas Party. The committee also assisted and provided refreshments at the Annual POA Meeting held in April.

Upcoming events are: Meet and greet party coming soon, Holiday decorations at the gates, Holiday Party in December.

Communications Committee - Famia J. Magana, chair of the Communications Committee, reported that she coordinates with chairs of the Web and Social Committee; maintains the property owner electronic contact list for e-blasts (18 since April 2018); added 12 new contacts to, and deleted 6 contacts from the contact list. She informed the group that if owners wish to opt out or update contact information, requests should be addressed to: ThePeninsulaMail@gmail.com.

Website Committee - Paula Rieker, chair of the Website Committee, reported that updates have been done to the website making it easier to use. New pages were added, including information on all committees. She also presented statistics that showed an increase from last year, and a 40% increase in site views/hits from two years ago. In 2016 there were 10,219 views/hits; in 2017 11,737; and in 2018, 11,010 hits.

An owner asked how many of the views were non-POA members? Mrs. Rieker answered that is unknown.

Election Results: Keith Tunnell was elected by unanimous acclamation to the Board and will serve a three-year term.

Adjourn: There being no further business, the meeting was adjourned at 11:27 am.

Minutes submitted by Camille Belcher, Recording Secretary