Seven Coves Association, Inc.
Board Meeting
August 30, 2022, Tuesday, 6:30 PM
MEETING AGENDA

This is a board meeting. Members may observe but please hold all questions and comments for the open forum.

1. **Call Open Session to Order**

2. **President provides summary of** prior executive session regarding legal action, contracts, disciplinary hearings, employee matters, repayment plans and foreclosures.

2. **Review/Approval of Minutes of Last Board Meeting**

3. **Reports**
   a. Treasurer's Report
   b. President's Report
   c. Committee Reports
      -Architectural Control Committee
      -Marina Patrol
   d. Manager's Report
      -Deed Violation and Marina Report

4. **New Business**
   a. Discuss Subdivision Event dates.
   b. Discuss date for fall garage sale.
   c. Discuss updating pictures and videos on the website.
   d. Discuss board members purchases/reimbursement.
   e. Discuss marina patrol assisting maintenance when needed.
   f. Review marina patrol hours.
   g. Discuss landscaping bids/options and front entrance flowers and sprinkler system.
   h. Community communications.
   i. Update on recycling.

6. Adjourn Open Meeting.

7. If needed, **Adjourn to Executive Session – to discuss;** This meeting may be adjourned at any time by the board of directors for the purposes of meeting in an executive session.

9. Reconvene Open Session-To consider and take any necessary action with respect to any matters considered in executive session.

10. Adjournment.

11. **Open Forum**. During open forum, each attendee may address the board for up to three minutes. Speakers must observe rules of decorum and not engage in other disruptive behavior. If a speaker is in the middle of a sentence when time is called, he/she may finish their thought before sitting down. Speakers may not allot their time to others. All persons must follow the Meeting Rules listed at the bottom of this agenda.

MEETING RULES: No audio or video recording allowed by attendees. However, the secretary may record the meeting to aid in the preparation of minutes. The recording is deleted once the minutes have been prepared. As provided in the "Open Meeting Act," members may observe the meeting but do not have the right to participate in the board's deliberations or votes. Members may address matters during the open forum portion of the meeting. If attendees become disruptive, they may be expelled from the meeting and/or fined.

SEVEN COVES HOMEOWNERS' ASSOCIATION
Monthly Board Meeting
Tuesday, July 26, 2022

Regular Board Meeting called to order at 6:30 pm

Seven Coves Board Members Present:
Tim Steinmuller, Don Chronister, Peggy Dentler, Dave Marks and Bill Valka

IMC Reps. Present:
Steve Durham & Amy Lundy

Minutes:
Approval of June Minutes. Don Chronister made a motion to approve the report and Peggy Dentler second, unanimously approved.

Financials:
Financial Report was given by Bill Valka. Don Chronister made a motion to approve the report and Peggy Dentler second, unanimously approved.

President's Report given by Tim Steinmuller, President:
MUD #2 water conservation sign is posted at the front entrance. It's stage 1, meaning to voluntarily conserve outside water use. Visit regionalwater.net for more tips. We have removed 2 trees located behind the lighthouse at the front entrance. The roots were tearing up the brick wall around the flowerbed and the treetops were hitting the lighthouse. Now there's a great view of the lighthouse when exiting the subdivision. The strange looking vehicle with the camera mounted on top is the new company, CV360, that we're using to drive though and record all the properties for deed violations. Amy in the office will still view the footage and prepare violation letters. This is no extra charge to the subdivision and they will drive through twice a month. After our regular board meeting, the members meeting will follow. Section 2 property owners will submit votes for amending section 2 deed restrictions to prohibit short term rentals for any time less than 90 consecutive days. A group of dedicated property owners hit the pavement going door to door to collect votes to amend the deed restrictions in Section 2. Property code says 67% of votes is required to pass the amendment. If passed, the amended deed restrictions will be filed in the county clerk records.

New Business

a. Discussed website access, maintenance and updating website. Peggy Dentler and Dave Marks will be working on this project.
b. The flowerbed behind the lighthouse has had old plants pulled out grounded tree remains removed and some of the dirt removed to level off and make the bed look presentable until we plant flowers in cooler weather.
c. Discuss adding additional kiddie cushion to playground - deferred.

d. Don Chronister made a motion to extend the pool monitors work schedule from Labor Day to September 30, 2022, starting this season. Dave Marks second, unanimously approved.
e. Bill Valka made a motion to approve adding one pickle ball court to one of the existing tennis courts. Don Chronister second, unanimously approved.
f. Don Chronister made a motion to approve ordering 50 bumpers for the marina docks for bid amount of $1,732.36. Peggy Dentler second, unanimously approved.

Old Business

Ratification of all actions of the Board since the last board meeting.

a. Peggy Earnhart made a motion to approve filing suit on sec/blk/lot 3/3/15. Dave Marks second, unanimously approved.
b. Peggy Earnhart made a motion to approve filing suit on sec/blk/lot 2/3/02. Dave Marks second, unanimously approved.
c. Don Chronister made a motion to approve proposal for $5,485.00 to rewire in pool area. Bill Valka second, unanimously approved.

Regular Board Meeting adjourned at 7:03 pm.

_____ _____

Secretary Date

Seven Coves Financial Report – End of July 2022 (7-month actuals = 58% of year)

Prepared by Seven Coves Treasurer – Bill Valka – (Assisted by Kevin Lacy) August 27, 2022

Income Summary

		7 mo Actuals	12 mo Budget	% Tot Rev	12 mo FC	Fc vs Budget
Revenues	Res Assmts	$438,750	$410,400	43%	$438,750	1.07
	Comm Assmts	$65,600	$72,200	8%	$65,600	0.91
	Subtotal	$504,350	$482,600	51%	$504,350	1.05
Misc Inc	Fees	$32,700	$37,500	4%	$40,000	1.07
	Franchise	$15,000	$20,000	2%	$20,000	1.00
	Landing	$0	$10,000	1%	$10,750	1.08
	Subtotal	$47,700	$67,500	7%	$70,750	1.05
Rental Inc	Marina	$193,000	$340,000	36%	$340,000	1.00
	Clubhouse	$40,000	$30,000	3%	$48,000	1.60
	Trailer Lot	$26,490	$30,000	3%	$30,000	1.00
	Subtotal	$259,490	$400,000	42%	$418,000	1.05
Total Rev		$811,540	$950,100	100%	$993,100	1.05

Major Expense Summary

		7 mo Actual	12 mo Budget	% Tot Exp	12 mo FC	Fc vs Budget
Maj Exp	Trash Serv	$93,700	$160,000	19%	$160,000	1.00
	IMC Services	$68,300	$120,000	14%	$120,000	1.00
	Depreciation	$63,000	$110,000	13%	$110,000	1.00
	Insurance	$93,800	$92,000	11%	$94,000	1.02
	Mow & Landscape	$51,225	$75,000	9%	$75,000	1.00
	Top 5 Subtotal	**$370,025**	**$557,000**	**64%**	**$559,000**	**1.00**
	Courtesy Patrol	$25,700	$41,000	5%	$41,000	1.00
	Marina Maint	$21,400	$40,000	5%	$40,000	1.00
	SJRA Fee	$15,100	$33,000	4%	$33,000	1.00
	Utilities	$20,640	$29,000	3%	$29,000	1.00
	Dock Loan Int	$10,200	$19,000	2%	$19,000	1.00
	Next 5 Subtotal	**$93,040**	**$162,000**	**19%**	**$162,000**	**1.00**

Remaining Expense Summary

	7 mo Actual	12 mo Budget	% Tot Exp	12 mo FC	Fc vs Budget
Clubhouse Maint	$2,938	$8,000	0.9%	$8,000	1.00
Attorney Fees	$13,100	$20,000	2.3%	$20,000	1.00
Security System	$20,155	$16,000	1.9%	$16,000	1.00
Pool Monitors	$7,200	$14,000	1.6%	$14,000	1.00
Pool Cleaning	$1,300	$15,000	1.7%	$15,000	1.00
Postage	$2,900	$5,000	0.6%	$5,000	1.00
Accounting Serv	$2,600	$9,000	1.0%	$9,000	1.00
Gen Expense	$8,800	$10,000	1.2%	$10,000	1.00
Clubhouse Cleaning	$3,825	$6,000	0.7%	$6,000	1.00
ACC Inspectors	$2,600	$6,000	0.7%	$6,000	1.00
Next 10 Subtotal	**$65,418**	**$109,000**	**12.6%**	**$109,000**	**1.00**
Misc Subtotal (15)	**$23,675**	**$36,000**	**4.2%**	**$43,000**	**1.19**
Total Expense	**$552,158**	**$864,000**	**100%**	**$873,000**	**1.01**

July 2022 Summary: Current Forecast shows Revenues above Expenses by $120k. This is a good thing. Current expenses include recent special projects completed at the Marina (ramp and bathroom electronic locks), playground (kiddie mulch), and pool (liquid chlorinator and electronic locks.). Our goal remains to fund additional reserves and accelerate loan repayment pending cost to cover special projects.

Detailed Comments: $63k Depreciation (Major Expense) is an estimated amount. $15.1k San Jacinto River Authority (Major Expense) is low to budget but is invoiced incrementally and is forecast to be on budget. Dock loan interest reflects the combined amount for Dock 2 and Club House Loans. Current loan balance is $420k with a payoff date of July 2031. $20.2k Security System is $4.2k or 26% above budget due to unplanned maintenance. The forecast will be updated next month. This will be accounted for in the 2023 budget. $1.3k pool cleaning is significantly under $15k budget. It is believed these expenses are going to another category. An action has been taken to resolve this. A review will be conducted on what expenses are being captured under General Expense with a $10k budget.

August 2022 newsletter from the President
By Tim Steinmuller

Hello Seven Coves Residents. It's been a quiet month for projects in August so this letter will be brief. We did put another 50 yards of kiddie mulch in the playground area. This is an addition to the 50 yards that was installed in the Spring. It has now brought the level up to where it should last for quite awhile. The kids seem to be enjoying it.

We are still cleaning up flower beds and prepping the large bed behind the lighthouse for new plants to be installed when the weather. It looks a lot neater and cleaner now. Also, we are replacing the front bumpers and some boards on the front of dock slips where they are worn out and broken. This is to protect the boats but also prevent damage to the docks. If you are a boat owner, please use a four point tie system to keep your boat from hitting or rubbing the front of your slip. Also remember to tie your boat up so it is not blocking the walkway. In the future if a boat is not tied up properly and causers damage to the dock the renter of that slip will have to pay for repairs to your slip.

Also, in the July Member's meeting for residents in section two, the deed restriction amendment prohibiting short term rentals did pass. Property owners in section 2 are grandfathered in to use their residency for short-term rentals for one year. Once that time has expired, home rentals must be rented for at least 90 days or longer. Last note, please remember to drive slowly because of children loading and unloading from school buses and as the weather cools, a lot more folks will be out walking.

Until next month,
Tim Steinmuller
President Seven Coves HOA

Monthly Marina Security Report

July 25 to August 21, 2022

Parking Violations:	63
Warnings:	19
Vehicles Towed:	0
Suspicious Per/Veh	6
Trespassers:	43

Notes: **Trespassers on fishing dock; Helped search for 9 year old female was found at entrance of subdivision;**

Deed Violation Report

July-August 2022

Violations-Categorized (Percentage)

5	Vehicle Parking: trailers, boats, atvs, etc. stored in yard/driveway.
5	Unsightly: Trash, misc. items, and/or multiple violations.
6	Yard Maintenance: mowing, edging, weeding, and/or pruning.
0	Signage and/or Holiday decorations.
10	Trash/recycle cans in plain view.

Violations-Activity

21	1st Notice
5	2nd Letter not cured.
6	Closed/Cured

July 26, 2022

MARINA REPORT

		AVAILABLE	VACANT	TM	LM
DOCK #1	**COVERED**	36	3	91%	89%
DOCK #2	**COVERED**	54	1	98%	100%
DOCK #3	**COVERED**	60	4	93%	100%
DOCK #4	**COVERED**	28	4	85%	93%
	UNCOVER	24	1	95%	90%
	TOTAL	52	5	90%	91%
OVERALL	**COVERED**	178	12	93%	97%
	UNCOVER	24	1	95%	83%
	TOTAL	**202**	**13**	**93%**	**93%**