Notice of Regular Board Meeting

Tuesday, October 28, 2019

Notice is hereby given to the Members of Seven Coves Association, Inc., that the Board of Directors calls a regular meeting of Directors to be held on Tuesday, September 24, 2019 at 6:30 P.M. The meeting will be held in the Seven Coves Association, Inc. clubhouse to consider and act upon the following agenda.

I. Executive Board Meeting (Closed Meeting)
II. Meeting Called to Order (Open Meeting)
III. Approval of Minutes
IV. Approval of Financial Report– Neil Curlee
V. President's Report-Tim Steinmuller
VI. Reports

   A. Deed Restrictions - Steve Durham/Amy Lundy
   B. Security Report – Donald Chronister
   C. ACC Report – Robert Yetter
   D. Marina Occupancy-Amy Lundy

VII. Open Forum-Constable, Rick Faught giving presentation to members.

VIII. Adjournment of Regular Meeting

IX. Reconvene

X. Adjourn

SEVEN COVES HOMEOWNERS ASSOCIATION
Monthly Board Meeting
Tuesday, September 24, 2019

Regular Meeting called to order at 6:31 pm

Seven Coves Board Members Present:
Tim Steinmuller, Shelly Corso, Neil Curlee, Kevin Lacy, and Don Chronister

IMC Reps. Present:
Amy Lundy

Approval of August Minutes: Motion-Neil, unanimously approved.

August Financial Report was given by Neil. Motion to approve the report-Shelly, Second-Kevin, unanimously approved.

President's Report was given by Tim Steinmuller, President:

We appreciate all the folks that showed up for last month's meeting for the ACC committee presentation. Thanks to Robert, Don & Chris for the well delivered presentation. During September's meeting Constable, Rick Faught, will be giving a presentation and will answer any questions.

Another item the newly elected board members discussed is how we could improve our focus on key areas and effectiveness at resolving problems or residency concerns. Each board member has an area that they will be more involved in. Some of the key area assets include the Marina, Pool, Clubhouse, Security, Communication, etc. The board's involvement will help better assist Amy Lundy, in the office, in resolving problems in a timely manner. No changes to Amy's role were made and she remain the HOA office manager and the primary first contact with issues.

If you've been using the community pool this Summer, I'm sure you are aware of the deterioration of the pool surface inside. Holes in the surface, water line tiles popping off and coping coming lose, around the pool. A major redo of he pool is in order and we have received four bids. Bids will be discussed and a contract will be awarded to start the project during the end of October, the first of November, 2019. We will keep you posted on detains and when the pool will be closed for this project.

Open Session
Upcoming Event: October 5, garage sale. Resident discussed concerns with underage drivers on golf carts and how they use Moonlight Dr. as a speed zone, when especially driving downhill. They don't stop at stop sign at Pleasure Lake Dr. & Kingston Cove Ln. either.

Closed Session of Executive Meeting called to order at 4:32 pm

Closed Session of Executive Meeting adjourned at 6:12 pm

Open Session of Regular Meeting called to order at 6:31 pm

Open Session of Regular Meeting adjourned at 7:35 pm

Reopened Session of Executive Meeting 7:40 pm

Closed Reopened Session of Executive Meeting 7:45 pm

3RD QUARTER BUDGET COMPS - 2019

			2019	2019	2018	2019
INCOME		2019 BUDGET	EXPENDED	ACTUAL	ACTUAL L.Y.	BUDGET
	Recurring Assessments		September	Sept. Y.T.D.	COMPARISON	VARIANCE
4000	Residential Assessments	$ 347,225	$ 260,419	$ 265,640	$ 260,419	$ 5,221
4000-1	Commercial Assessments	$ 54,050	$ 40,538	$ 64,250	$ 52,913	$ 23,712
		$ 401,275	**$ 300,957**	**$ 329,890**	**$ 313,332**	**$ 28,933**
	MISC. INCOME					
4100	Fees	$ 20,000	$ 15,000	$ 20,105	$ 12,790	$ 5,105
4109	Misc. Income	$ 4,000	$ 3,000	$ -	$ 632	$ (3,000)
4110	Franchise Income	$ 10,000	$ 7,500	$ 22,681	$ 23,185	$ 15,181
4111	The Landing Income	$ 6,300	$ 4,725	$ 2,188	$ 6,377	$ (2,537)
	TOTAL MISC. INCOME	**$ 40,300**	**$ 30,225**	**$ 44,974**	**$ 42,984**	**$ 14,749**
	RENTAL INCOME					
4200	Clubhouse Rental -R	$ 19,500	$ 14,625	$ 22,620	$ 20,710	$ 7,995
4201	Clubhouse Rental - NR	$ 24,000	$ 18,000	$ 21,900	$ 22,900	$ 3,900
4202	Marina Rental - R	$ 86,000	$ 64,500	$ 86,568	$ 71,569	$ 22,068
4203	Marina Rental - NR	$ 200,000	$ 150,000	$ 112,620	$ 163,698	$ (37,380)
4204	Trailer Lot - R	$ 15,400	$ 11,550	$ 14,626	$ 15,655	$ 3,076
4205	Trailer Lot - NR	$ 8,100	$ 6,075	$ 7,600	$ 7,340	$ 1,525
	TOTAL RENTAL INCOME	**$ 353,000**	**$ 264,750**	**$ 265,934**	**$ 301,872**	**$ 1,184**
	TOTAL INCOME	**$ 794,575**	**$ 595,932**	**$ 640,798**	**$ 658,188**	**$ 44,866**
EXPENSE						
5000	Mowing	$ 55,000	$ 41,250	$ 40,480	$ 62,105	$ (770)
5002	Landscaping	$ 10,000	$ 7,500	$ 10,031	N/A	$ 2,531
5006	Courtesy Patrol	$ 40,000	$ 30,000	$ 51,006	$ 46,899	$ 21,006
5015	Maintenance Supplies	$ 500	$ 375	$ 1,114	$ 427	$ 739
5016	Clubhouse	$ 10,000	$ 7,500	$ 16,059	$ 13,954	$ 8,559
5017	Marina	$ 60,000	$ 45,000	$ 62,273	$ 117,677	$ 17,273
5018	Office	$ 3,500	$ 2,625	$ 1,589	$ 1,375	$ (1,036)
5019	Tennis Court	$ 500	$ 375	$ 722	$ 481	$ 347
5020	Pool	$ 5,000	$ 3,750	$ 20,156	$ 1,973	$ 16,406
5021	General Shop Supplies	$ 15,000	$ 11,250	$ 5,052	$ 12,740	$ (6,198)
5022	Pool Cleaning Contract	$ 7,000	$ 5,250	$ 5,443	$ 5,683	$ 193
5023	Gen Maint Playground	$ 100	$ 72	$ 116	$ 200	$ 44
5024	Pool Monitor	$ 12,000	$ 9,000	$ 12,174	$ 11,580	$ 3,174
5025	Trailer Lot	$ 500	$ 375	$ 3,390	$ 14,171	$ 3,015
5026	Maintenance Building	$ 100	$ 72	$ -	$ -	$ (72)
5031	Garbage Removal	$ 130,000	$ 97,497	$ 105,000	$ 96,872	$ 7,503
5032	Pest Control Sevices	$ 500	$ 378	$ 286	$ 268	$ (92)
5034	Lighthouse	$ 200	$ 153	$ 200	$ -	$ 47
5068	Clubhouse Cleaning	$ 6,000	$ 4,400	$ 4,403	$ 1,215	$ 3
5069	Event Coordinator	$ 2,500	$ 1,875	$ 1,656	$ 1,450	$ (219)
5071	Member Relations	$ 5,000	$ 3,750	$ 2,635	$ 2,279	$ (1,115)
5075	Misc. Maintenance	$ 3,500	$ 2,628	$ -	$ 650	$ (2,628)

3RD QUARTER BUDGET COMPS - 2019

		2019 BDGT.	EXP. BDGT.	2019 ACTUAL	2018 TO COMP.	BDGT. VARIENC
5076	Vehicle Maintenance	$ 1,400	$ 1,053	$ 489	$ 1,151	$ (564)
5077	ACC Inspector Expense	$ 1,000	$ 747	$ 950	$ 600	$ 203
	TOTAL MAINTENANCE	**$ 369,300**	**$ 276,875**	**$ 345,224**	**$ 393,750**	**$ 68,349**
	UTILITIES					
5100	Electric - General	$ 3,000	$ 2,250	$ 2,118	$ 2,162	$ (132)
5101	Water & Sewer	$ 6,000	$ 4,500	$ 2,982	$ 5,002	$ (1,518)
5102	Marina	$ 2,500	$ 1,875	$ 2,149	$ 1,374	$ 274
5103	Clubhouse	$ 7,000	$ 5,250	$ 4,012	$ 5,572	$ (1,238)
5104	Trailer Lot	$ 1,200	$ 900	$ 600	$ 711	$ (300)
5105	Tennis Court	$ 3,600	$ 2,700	$ 1,785	$ 2,350	$ (915)
5106	Pool	$ 5,000	$ 3,750	$ 2,606	$ 3,836	$ (1,144)
	TOTAL UTILITIES	**$ 28,300**	**$ 21,225**	**$ 16,252**	**$ 21,007**	**$ (4,973)**
	ADMINISTRATIVE					
5200	IMC (Investment Mgt. Co)	$ 111,730	$ 83,798	$ 94,295	$ 83,798	$ 10,497
5201	Postage	$ 5,500	$ 4,125	$ 2,854	$ 3,906	$ (1,271)
5202	Office Supplies	$ 3,500	$ 2,625	$ 1,115	$ 1,868	$ (1,510)
5203	Advertising	$ 6,200	$ 4,653	$ 2,375	$ 2,918	$ (2,278)
5205	Credit Card Fees	$ 5,000	$ 3,750	$ 3,645	$ 3,903	$ (105)
5206	Phone Internet	$ 5,000	$ 3,750	$ 3,891	$ 3,689	$ 141
5207	Depreciation	$ 58,000	$ 43,500	$ 43,500	$ 43,044	$ -
5208	Property Taxes	$ 10,000	$ 7,500	$ 10,017	$ 9,968	$ 2,517
5209	Income Taxes	$ 11,228	$ 8,421	$ -	$ 11,228	$ (8,421)
5221	Loan Interest	NA	NA	$ 14,221	NA	NA
	TOTAL ADMINISTRATIVE	**$ 216,158**	**$ 162,122**	**$ 175,913**	**$ 164,322**	**$ (430)**
	PROFESSIONAL FEES					
5302	Attorney Services	$ 10,000	$ 7,500	$ 9,726	$ 7,929	$ 2,226
5307	Accounting Services	$ 6,500	$ 4,875	$ 6,875	$ 4,200	$ 2,000
5317	SJRA Fee	$ 33,000	$ 24,750	$ 15,062	$ 22,594	$ (9,688)
	TOTAL PROFESSIONAL FEES	**$ 49,500**	**$ 37,125**	**$ 31,663**	**$ 34,723**	$ (5,462)
	INSURANCE					
5401	Casualty/Truck	$ 92,000	$ 69,000	$ 62,826	$ 58,765	$ 6,174
	TOTAL INSURANCE	**$ 92,000**	**$ 69,000**	**$ 62,826**	**$ 58,765**	**$ 6,174**
	TOTAL EXPENSES	**$ 755,258**	**$ 566,347**	**$ 631,878**	**$ 672,567**	**$ 65,531**
	SUSPENSE EXPENSE			**$ 1,437**		NA
	NET INCOME	**$ 39,317**	**$ 29,585**	**$ 7,483**	**$ (14,379)**	**$ (22,102)**
	CASH & EQUIVILENTS COMPS.	**2017**	**2018**	**2019**		
	COMPASS - OPERATING ACCT.	$ 264,972	$ 334,982	$ 254,532		
	PROJECT RESERVE - COMPASS	$ 111,155	$ 141,024	$ 171,315		
	ASSET REPLACEMENT-COMPASS	$ 47,973	$ 52,758	$ 58,039		
	OPERATING ACCT. RESERVE	$ 143,787	$ 143,858	$ -		
		$ 567,887	**$ 672,622**	**$ 483,886**		

October newsletter from the President,
By Tim Steinmuller

I would like to thank Shelly and the crew for all the hard work they did on the bar b que cookoff this month. There were lots of great food and everyone had a good time visiting with friends new and old. It was a wonderful opportunity to reconnect with folks I had not seen in a while. There were more teams this year and judging was on brisket, potato salad and beans. Next year Shelly is expanding the meat to ribs as well. Awards were given for all three first place plus there were some great door prizes so once again, thank you Shelly.

Thank you to the constables for coming to the September meeting, lots of great question's were asked. Recommendations were also offered to the constables about possible trouble spots and violations that continue to occur at different areas of the subdivision and could patrols more on those location's.

Tonight, we will be deciding on the pool remodel bid. We had four bids submitted. The construction will be quite extensive and result in the pool being closed for approximately a month. Construction should begin soon around the fourth of November. I think everyone will be pleased with the end result.

At our meeting this month Neil Curly our treasurer will give a quarterly report on our financials he will be going into a little more detail about where our HOA is at financially, also Kevin Lacy will go into greater detail about what items the Lake Conroe Association. is addressing about the lowering of the lake level and other aspects that the Lake Conroe Assn. is involved in.

Finally, Thursday is Halloween, there will be lots of kiddos in the neighborhood, please exercise caution if you are driving around and let's provide them with a safe and pleasant experience.

Until next month,
Tim Steinmuller
President Seven Coves HOA

Deed Violation Report
October 29, 2019

Violations-Categorized

18 Violations

26%	Yard Maintenance; mowing, edging, weeding, pruning bushes/trees.
16%	Vehicle Parking: trailers, boats, atvs, etc. stored in yard or driveway.
26%	Unsightly: Misc. items, mold growing, general appearance of yard.
16%	Fencing: Rotten/missing boards/pickets, maintenance, repairs.

Violations-Activity

47%	Closed: Violation Cured
5%	Escalated: Violation not cured with initial notice
42%	New: first notice
5%	Re-open: Violation(s) cured and closed then violation repeated

Montgomery County Pct. #1 Constables Department

Patrol Data: September-October 2019

Citations 0

Warnings 2

Suspicious Person/Vehicle 2

Calls 0

DATE: 10-29-2019

MARINA REPORT

		AVAILABLE	VACANT	T. M.	L. M.
DOCK #1	COVERED	36	3	92%	88%
	UNCOVERED	30	10	67%	66%
	TOTAL	66	13	80%	78%
DOCK #2	COVERED	54	7	87%	81%
DOCK #3	COVERED	60	9	85%	85%
DOCK #4	COVERED	28	6	79%	75%
	UNCOVERED	48	5	90%	91%
	TOTAL	76	11	86%	84%
OVERALL	COVERED	178	25	86%	83%
	UNCOVERED	78	15	81%	82%
	TOTAL	256	39	85%	86%

Lake Conroe Association Overview – Kevin Lacy - Oct. 29, 2019

Lake Conroe Association – volunteer nonprofit organization. Primary purpose if to represent the best interests of all Lake Conroe residents and businesses to government and private commercial entities.

Membership fee - $15 per year – required to fund website and projects to protect or improve best interests of Lake Conroe. Entitles members to vote and required by tax and business regulations. Nonpaying residents can get emails and have access to website. (Ratio about 450 paying to 2000 not)

Historical Efforts – assist in invasive species (plant and fish) campaigns, donations to County Sheriff and Fire and Rescue for needed equipment, campaign against drilling in lakeside forests, etc.

For more information – go to website.

Lake Conroe "Temporary Seasonal Lake Lowering Program"

Post Hurricane Harvey state and local governments and San Jacinto River Authority (SJRA) were heavily criticized for lack of planning, coordination, and effective water management of the river water flows which resulted in significant flooding of communities along the San Jacinto especially Kingwood. The SJRA Board was repopulated by the Governor to better represent all communities and implement new positions in SJRA and new programs for flood control.

In February / April 2018 the SJRA Management recommended a "temporary seasonal water level lowering of Lake Conroe of 6" and 1' in May and August / September respectively to allow for room to handle water volumes similar to those experienced during Harvey without releasing "excessive" water from Lake Conroe. The **SJRA Board President** suggested the lowering levels **be doubled** and after minimal Board discussion and no public input or impact statements called for a vote. The increased lowering levels were approved and tied to dredging and then reapproved in February 2019.

During the Harvey flooding the flows from Lake Conroe represented only about 15% of the total water volumes flowing into flooded communities. However, Lake Conroe releases were blamed by many flooded residents as a primary culprit. Lowering the lake level was one of the only short-term actions that could be taken and seen as an "action" while longer term actions such as dredging and new release gates on Lake Houston were being implemented. **Perceptions and politics** heavily drove the response.

The Lake Conroe Association Board has been repopulated with new members (5) that believe their mission is to hold the SJRA Board to their public statements that the lake lowering program was temporary and dependent on completing dredging which will be finished in December 2019.

Important Dates – November 13th – 1-2 representatives for each Lake Conroe POA and HOA are invited to meet to organize and make visible the negative impact of lake lowering to the SJRA Board.

December 12th – SJRA Board Meeting – mobilize significant attendance to show opposition.

January 23rd -LCA present to the SJRA Board and recommend an end to the lake lowering program.

February 20th SJRA Board votes to extend / rescind / modify the lake lowering program.