Seven Coves Association, Inc.
Board Meeting
October 26, 2021, 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. Committee Report
      -Architectural Control Committee
   c. Manager's Report
      -Deed Violation and Marina Report

4. **New Business**
   a. Discuss subdivision Halloween Event for 2022
   b. Discuss adding soil and possible barriers around gazebo.
   c. Discuss budget items.
   d. Discuss monthly financial process.
   e. Discuss filing the federal tax return.
   f. Discuss contract setups with vendors.

5. Old Business
   a. Discuss lady's club payment options.

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 Financial Report – End of September 2021 (9 months actuals = 75% of year)

Prepared by Seven Coves Treasurer – Kevin Lacy October 24, 2021

Income Summary

		9 mo Actuals	12 mo Budget	% Tot Rev	12 mo FC	Fc vs Budget
Revenues	Res Assmts	$384,413	$388,900	43%	$384,400	0.99
	Comm Assmts	$68,395	$68,430	8%	$68,400	1.00
	Subtotal	$452,808	$457,330	51%	$452,800	0.99
Misc Inc	Fees	$27,950	$37,500	4%	$35,000	0.93
	Franchise	$22,400	$17,500	2%	$22,200	1.27
	Landing	$10,000	$7,000	1%	$10,000	1.43
	Subtotal	$60,350	$62,000	7%	$67,200	1.08
Rental Inc	Marina	$260,000	$320,000	36%	$340,000	1.06
	Clubhouse	$10,000	$25,000	3%	$14,000	0.56
	Trailer Lot	$25,600	$30,000	3%	$30,000	1.00
	Subtotal	$295,600	$375,000	42%	$384,000	1.02
Total Rev		$808,758	$894,330	100%	$904,000	1.01

Major Expense Summary

	9 mo Actual	12 mo Budget	% Tot Exp	12 mo FC	Fc vs Budget
Trash Serv	$116,500	$150,000	18%	$155,000	1.03
IMC Services	$87,800	$117,000	14%	$117,000	1.00
Depreciation	$66,800	$108,000	13%	$100,000	0.93
Insurance	$89,800	$90,000	11%	$90,000	1.00
Mow & Landscape	$55,500	$65,000	8%	$65,000	1.00
Top 5 Subtotal	$416,400	$530,000	62%	$527,000	0.99
Courtesy Patrol	$39,200	$56,400	7%	$48,000	0.85
Marina Maint	$35,800	$50,400	6%	$50,400	1.00
SJRA Fee	$22,600	$32,000	4%	$32,000	1.00
Utilities	$21,800	$27,000	3%	$28,000	1.04
Dock Loan Int	$11,800	$18,000	2%	$17,500	0.97
Next 5 Subtotal	$131,200	$183,800	22%	$175,900	0.96

Remaining Expense Summary

	9 mo Actual	12 mo Budget	% Tot Exp	12 mo FC	Fc vs Budget
Clubhouse Maint	$5,200	$10,000	1.2%	$10,000	1.00
Attorney Fees	$29,500	$20,000	2.3%	$32,000	1.60
Security System	$13,400	$12,000	1.4%	$15,500	1.29
Pool Monitors	$11,000	$18,000	2.1%	$12,000	0.67
Pool Cleaning	$11,400	$10,000	1.2%	$14,000	1.40
Property Taxes	$0	$3,800	0.4%	$100	0.03
Accounting Serv	$1,625	$9,000	1.1%	$8,000	0.89
Gen Expense	$10,100	$9,000	1.1%	$11,000	1.22
Clubhouse Cleaning	$3,000	$5,000	0.6%	$4,500	0.90
Phone Internet	$2,260	$4,000	0.5%	$3,000	0.75
Next 10 Subtotal	$87,485	$100,800	11.8%	$110,100	1.09
Misc Subtotal (15)	$25,280	$38,700	4.5%	$37,700	0.97
Total Expense	$660,365	$853,300	100%	$850,700	1.00

Summary –Revenues are as forecasted for assessments with the miscellaneous income and marina rental income continuing to show positive forecast trends. Total revenues are now $10,000 higher than forecast due mostly to stronger marina rental revenues. Clubhouse rentals will be well below forecast due to COVID and two months shut down for remodel. Marina revenue will cover gap in rental income.

Since last month the only significant changes in expense are higher legal costs related to filing claims for recovery of outstanding unpaid assessments and fees. As these claims are settled these extra-legal costs will be recovered but likely in 2022 not 2021. Forecast update makes provision for utilities to be slightly higher than annual budget and a revision to the SJRA fees to be on budget. Courtesy patrol, depreciation, and loan interest will likely be under budget for the year. Lightning strikes have damaged the security system twice this year, so those repair costs were not in the planned budget.

Through nine months there are no extra ordinary issues other than February storm damage to the marina and the storm damages to several roofs of our facilities – approximately $50,000. It is still being investigated how much if any of this will be above our deductible and recovered from insurance Revenues to expenses show a positive of $54,000 for contributing to our marina reserve account as was planned and the purpose of the $25 increase in HOA dues.

As a reminder, without the additional income that come from marina, clubhouse, and trailer space rentals (49% of our revenues) which underwrites half the overall operating expenses the HOA annual dues would have to be increased from the current $475/year to a range of $750 to $800/year.

October report

From: sevencovesacc@yahoo.com (sevencovesacc@yahoo.com)

To: sevencovesoffice@yahoo.com

Cc: sevencovesacc@yahoo.com

Date: Monday, October 25, 2021, 03:20 PM CDT

Amy,

Here is the October report

Approved:
1 House
1 Fence
1 Roof Extension
2 Generators
1 Patio Cover
1 Bulkhead

Denied:
None

Pending
1 House (waiting on more information)
1 Boat Dock (waiting on more information)
1 Paint

Robert

Deed Violation Report
October 26, 2021

Violations-Categorized (Percentage)

7 Vehicle Parking: trailers, boats, atvs, etc. stored in yard/driveway.
1 Unsightly: Trash/misc. items stored in driveway/yard.
3 Yard Maintenance: mowing, edging, weeding, and/or pruning.
1 Garbage and/or Recycle cans.

Violations-Activity

12 Closed: Violation Cured
2 2nd Letter not cured.

September 28, 2021

MARINA REPORT

		AVAILABLE	VACANT	TM	LM
DOCK #1	COVERED	36	8	77%	83%
	UNCOVERED	30	8	73%	73%
	TOTAL	66	16	75%	
DOCK #2	COVERED	54	1	98%	96%
DOCK #3	COVERED	60	13	78%	80%
DOCK #4	COVERED	28	5	82%	85%
	UNCOVERED	48	6	87%	87%
	TOTAL	76	11	85%	
OVERALL	COVERED	178	27	84%	86%
	UNCOVERED	78	14	82%	82%
	TOTAL	256	41	84%	85%