



**University Green Town Home
Owners Association, Inc.**

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**Annual Meeting Minutes of the
University Green Town Home Owners Association, Inc.
April 10, 2014**

The meeting was called to order by Tom Chua (Board President) at 6:36 PM. The Board Members present were Tom Chua, Jo Miller, Bob Tyrell, Linda Lueders, Melissa Salvador, Gretchen Sheehan and John Davis.

Secretary, John Davis checked on the number of homeowners in attendance and reported that we need 24 homeowners for a quorum and have 32 homeowners signed in, so we have an official quorum.

Tom Chua introduced himself and thanked Judge Ditta for allowing us to use his court room for our meeting. Tom said that we would like to stay on the agenda and try to secure the room by 8:00 PM and asked everyone to keep that in mind.

Tom Chua stated that he would like to thank the Board and all of our committees for their assistance over the last year. Tom introduced the Nominating Committee and the Tabulating Committee.

Tom asked that everyone review the minutes of last year's Annual Meeting. Tom called for a motion on the minutes. **Gretchen Sheehan moved to accept the minutes as written. Bob Tyrell seconded the motion and no one opposed the motion passed.**

Tom Chua introduced Tom Reed, CPA, our accountant and auditor, to the homeowners. Mr. Reed reported that the 2013 audit has been completed. Mr. Reed stated that the audit report has been issued with an unqualified opinion. Mr. Reed stated that everything went well and things look good, as expected. He thanked the Association management and Board for being co-operative and helpful. He said that all of the important numbers were as expected and that the Association has a good fund balance going forward. He said that he was very happy with how things worked out. There being no questions for Mr. Reed he ended his presentation. Mr. Reed was thanked for attending and then left the meeting.

Melissa Salvador moved to accept proxies that were brought in after the deadline.

Kourtney Schroeder introduced herself as the Association's Attorney and stated that this issue would be a Board of Director only vote.

A homeowner questioned why this issue would need to be voted on because the proxy clearly stated a deadline. Kourtney stated that because a motion was made by a Board of Director member it required a vote by the Board of Directors.

Linda Lueders seconded the motion and the vote was 2 in favor (Melissa Salvador and Linda Lueders) and 5 against (Tom Chua, Gretchen Sheehan, Bob Tyrell, Jo Miller and John Davis), therefore, the motion failed.

Kourtney stated that to make the issue clear the Board of Directors voted not to accept proxies that were brought in after the deadline.

Bob Tyrell, Treasurer, provided the financial status of the Association. Bob compared the 2012 financials to the 2013 financials stating the income has been the same for five or six years. The income is \$632,414 and some change, less any non-payments, based on 242 units at \$217.80 per month. He stated that the income between 2012 and 2013 was down for 2013 by around \$18,000 or \$19,000 because of the lower cost of insurance this last year. He stated that most of the expense categories were about the same for the two years. Bob reported that our income and expenses are fairly predictable with the exception of capital expenses. He stated that in the Balance Sheet at the end of 2013 we had assets of \$593,000 after deducting the office building, accounts receivable and the like, we actually had \$374,000 in cash equivalent. Bob reported that our equity was \$479,000 at the end of 2013. He said that we have spent about \$250,000 a year for the last two years because we are trying to get ahead of things like roofs so we can have all of the roofs done within a 12 year period so that we will have 8 to 10 years before we will need to have the residential building roofs done again. He said the Board decided to spend some extra money to finish the roofs this year so that our income will be able to get out ahead of our expenditures in the following years. Bob stated that the Association is in a very good financial position. Bob stated that Tom Chua, John Davis and Grady Davis are important to the well-being of our Association.

Tom Chua reviewed the infrastructure progress made during 2013. Tom stated that the Association has put these activities on hold until some of the money which was paid for insurance has been replenished by the homeowners by mid to late May. Tom reported that the resale of UGTHOA homes are brisk and that the real estate community has a high regard for our property. Tom stated that the Association continues to maintain about 85% homeowner occupancy. Tom stated that Board continues to strive to improve UGTHOA. Tom explained that the irrigation improvements will alleviate the need to have someone go around the property and set out hoses and sprinklers during the summer. Tom explained that having an irrigation system will decrease the cost related to missing hoses and sprinklers that we have been experiencing. Tom stated that the Association has seven more buildings that need roofs replaced.

Bob Tyrell explained how the election process would be conducted. Bob explained that the Nominating Committee has nominated Linda Lueders, Jo Miller and Gretchen Sheehan as candidates and that Judy Outler has decided to run for the Board and has put out literature on her experience. Bob explained how nominations from the floor would be conducted.

Judy Outler was nominated and seconded and Judy Outler agreed to run for a position on the Board of Directors. Bob Tyrell wrote her name on the flip chart with the other candidates. Bob called for any other nominations from the floor three times and there being none, declared that the nomination process was closed.

Each candidate was requested to stand up and introduce themselves, which they did.

Bob stated that there being no other nominations we will begin the process of passing out the Proxy Ballots. The homeowners had received ballots when they signed in before the meeting. It was stated that there were two people who had not received ballots and a member of the Tabulation Committee provided ballots for them.

A member of the Tabulating Committee passed out ballots with the number of proxy votes that were assigned to each person indicated on them. A member of the Tabulating Committee explained the process that was used to assign proxies to those who would be voting the proxies. It was stated that the proxies are mailed into the office and the Tabulating Team opens the proxy envelopes and marks down that the proxy was returned and who they wanted to assign their vote to, which is where the numbers that are assigned to each proxy holder comes from. It was stated that there are three votes per ballot.

Bob Tyrell explained the process of filling out a ballot and adding a write-in candidate. He stated that there can only be three people voted on per ballot. Bob explained that state law required that the voters name be printed and signed. He told everyone to fold their ballot and place it into the ballot box. It was stated that the Tabulating Committee will take the ballot box away to be counted.

John Davis stated that the floor is open for questions and the individual will have three minutes to address the Board. John asked for comments.

Cecil Leonard asked what had been spent so far on sprinkler systems. Tom Chua stated that we had spent \$61,000. Cecil stated that he remembered that last year Tom said that we would be getting our sprinkler system free because we signed a two year contract with Merced. John explained that agreement was for one section of sprinklers free. Linda Lueders stated that in the May 13 general session meeting minutes that Tom stated that the cost of grass and sprinklers is in the maintenance contract. Tom asked if she was reading from the minutes and Linda said no. Tom stated that we were never to get free sprinklers other than that the one section which we did get. Tom explained that we have compared prices and Merced is the lowest we can find. Tom said that we should be spending under \$100,000 when finished. Cecil asked if Merced is licensed and Tom stated that he has licensed technicians and an irrigator working with him. Tom explained that we need to get a permit and we did get a permit. There was long discussion about permits and complaints to the City of Houston by someone in our Association. It was stated that we will be getting the needed permits.

Susan Reeves asked if there was validity to the statement she has heard that the homeowner would be responsible for the cost of removing and reattaching a patio cover to their home if it needs to be removed during the act of replacing siding. John Davis stated that the statement is correct. Susan stated that she thinks that the attached patio cover which was there when the homeowner purchased the property should not be charged for removal and replacement. John Davis explained that the patio cover is not part of the building that the Association is responsible for maintaining. A homeowner commented that when she purchased her home she understood, from reading Association documents, that she would be responsible for maintaining a patio cover between her house and the garage. John explained that if there is a way to work around removal of the patio cover our maintenance team will do that.

Kayla Covington asked if the increase going from \$20,000 in 2013 to \$60,000 in 2014 of Accounts Receivable is a problem. Bob Tyrell stated that it is not a problem and that our Accounts Receivables are in good shape, as far as assessment Accounts Receivables is

concerned. Bob said that he would look into the reason the numbers look like they do and report on it at the next board meeting.

Janice Gordon stated that in the last Board meeting it was mentioned we had received some income from Comcast and would like to know what that is about. John Davis stated that we had received \$ 24,200 to allow Comcast to come in and work on their equipment for a 10 year period. He stated that there is no exclusivity with respect to who can be used for this type of service. They do have exclusivity in that they can put an advertisement flier stand in the office and we will not allow their competitors to do this. It was stated that the utility companies have easements that cut through all homeowner yards. It was asked why this money is not divided up and given to the homeowners and it was stated that the contract is with the Association for access to common area property and only one tenth of the money is earned each year.

Janice Gordon requested that the Board have an independent auditor for the 2014 audit. Bob Tyrell stated that Mr. Reed is certified by the State of Texas as a Public Account he has his reputation and rules of the State of Texas making him do the correct thing. Bob said that we would get nothing by going to another accountant for audit unless we think that Mr. Reed is a crook. Bob said that we do the book keeping and they do the accounting bringing it together and once a year the accountant makes sure everything was done correctly. Janice asked if they audit the minutes of the meetings. Grady Davis stated that the accountant does review the minutes of the Board Meetings.

The Tabulating Committee reported on the results of the election as follows:

Linda Lueders	26 votes
Jo Miller	101 votes
Gretchen Sheehan	108 votes
Judy Outler	90 votes

Melissa Salvador introduced herself as a member of the Board and co-chairman of the T-Captain Committee along with Lyn Wingert and they put on events at least three times a year and on April 26th they will be holding a community garage sale at the pool parking lot. Melissa asked anyone who wants to sell something to bring it to the pool parking lot and the sale will be from 8:00 AM to 1:00 PM. She said the contact person for the sale is Trish Charles and her contact information is on the fliers handed out. She said that they hope to make this an annual event as well as the BBQ which will be held in September. It was stated that it needs to be made clear that the individual selling, keeps the money from the garage sale. Melissa explained what the Tee Captain Committee is and how it operates.

It was stated that Tom Chua asked Judy Outler to be head of the Nominating Committee and that she accepted.

Bob Tyrell moved to adjourn the meeting. The motion was seconded and there being no opposition the motion was carried.

The meeting was adjourned at 8:07 PM.