

THE RESERVE AT BATTLE CREEK – Master HOA ANNUAL Meeting

Meeting Minutes

August 13, 2024

Called to Order: 7:05 p.m. **Adjourned** 8:50 p.m.

Present: Stacy Brown – President, Karen Lowen Ames – Vice President, Brenda Urner – Treasurer, David Oldham – Member at Large, Mike Love – Member at Large, Lori Gracey – Resident & Secretary

Residents: 67 households represented by 42 attending in person and 25 by proxies.

Location: Battle Creek Golf Club Grill

I. Call meeting to order –

- Proof of notice of meeting provided by presentation of mailer sent to homeowners.
- Check-in of Residents and Collection of Proxies by Karen Lowen Ames and Lori Gracey.
- Distribution of Ballots upon check-in.
- Introduction of Master HOA Board Members by Stacy Brown, Master HOA President.

II. Introduction of Master Association Board Members

- President – Stacy Brown
- Vice President – Karen Lowen Ames
- Treasurer – Brenda Urner
- Member at Large – David Oldham
- Member at Large – Mike Love
- Recognition and appreciation of outgoing Board Members – Karen acknowledged the hard work that each of these Board members contributed to the Board and neighborhood this year.
 - Larry Mudd
 - Justin Sparr

III. Determination of a quorum

- Per the By Laws, Article II, Section 5, a quorum is required for a valid election which is comprised of 10% of the voting members of the Association (17 person which is 10% of the 164 homes in the Association) must be in attendance, or represented by proxy, before a vote may be taken. Members must be in good standing to vote, meaning they can have no unpaid past dues. *Payment of the enclosed invoice is not required to be eligible to vote at this meeting.*
- 67 households represented by 42 attending in person and 25 proxies. Quorum is met.

IV. Minutes from 2023 Annual Meeting

- Posted on website and distributed on tables at meeting.
- Stacy asked homeowners to review for approval.
 - A resident moved that the 2023 Minutes be changed to state that the mowing of Reserve E was mowing of dirt rather than grass.
 - Motion to approve and second from homeowners. The change will be reflected in an update to the 2023 Minutes.
- A voice vote was taken to approve the 2023 Minutes with changes. Seeing no one in opposition, the Minutes were approved.

V. Update on Neighborhood Management under Master Association Board (These points were discussed out the planned sequence. See notes below.)

- Landscaping
- Sprinklers
- Trees

- Ponds
- Covenants

VI. Financial Report

- Income statement
 - The Income Statement reports Income for January through June 2024 as \$3,034.28 and total expenses for the same year as \$28,588.71.
 - The 2024 Budget is shown as \$62,815.00 and the variance as of July 31st is a surplus of \$34,226.29.
- Balance Sheet reports that Total Assets are \$42,252.49 and Total Liabilities and Equity are \$42,252.49.
- Account Balances
 - Arvest Checking Account balance is \$3,763.95.
 - Arvest Money Market balance is \$27,791.37.
- Cash Apps and PayPal require being tied to an individual person which results in issuance of a 1099 for tax reporting purposes. Therefore, the only digital payment option offered through the new website will be by credit card. It was noted that payment by credit card will incur a 3% fee.
- Budget for 2025 – The budget for the Master HOA is now on a Calendar year accounting which is in compliance with the Master HOA By Laws.
- The savings achieved by releasing PMI was brought up by residents who wanted to understand how the savings would be passed along to homeowners. The 2 months of fees not paid to PMI amount to \$9 savings per household. The Master Board has budgeted for each household to receive a \$15 savings in dues this year which is over and above the savings achieved by releasing PMI.
- Based on projected expenditures for August through December of this year, a budget surplus of approximately \$15,000 should be achieved by end of year. This surplus has been achieved by savings by self-managing the HOA and releasing vendors such as PMI, pond maintenance, and tree maintenance companies.
- Past records for the Master HOA have been recovered by the Master Treasurer after PMI refused to accept them from previous management company. Refusal to accept custodial oversight of the records was one of many contractual violations by PMI.
- Only one homeowner in the Master is past due for the preceding year's HOA dues.
- Additional cost saving measures were documented and provided to homeowners in printouts distributed at check-in. These will be provided as attachments to these Minutes.

VII. Approved Budget for 2025

- For the 2025 calendar year budget, the income from \$300 per household is \$49,200 with projected expenditures of \$36,309 leaving a surplus of \$12,891 for savings toward future projects.
- Discussion – Stacy spoke about the continuation of services with vendors that have not changed since releasing PMI. Discussed run-off ponds for storm water management and explained that they are not vanity ponds. Without rain, run-off ponds go dry. To convert run-off ponds to vanity ponds would cost upwards of \$40,000 which would mean a significant increase in dues. The Board is treating the ponds and performing the same services as the vendor had at a savings over what the vendor was charging – same service for less money.
- Questions from Residents
 - Resident asked about the pond between Villas gates, noting it is full of vegetation. Board replied that it is part of the flood plain water management system. Explained muck from ducks, grass clippings, fertilizer runoff, etc. have prompted vegetation growth. It is also leaking around the overflow. This particular pond is a runoff, water retention area like the pond by the Cottages and at West end of Granger.
 - Resident noted the L-shaped pond has yellow flowers growing along its banks. Concerns were expressed about people tripping or falling in the flowers and this being a liability. Board made the point that vegetation prevents further erosion of the pond banks. Board has consulted with other HOAs that self-manage. It was noted that the ponds have benefitted from the recent rains. Some residents feel that the additional vegetation is sucking up all the pond water rather than abating the erosion.

- Resident noted some of the past actions taken to “fix” the ponds such as dredging (at a cost of \$5000) and adding thousands of gallons of water at a significant cost to the HOA were actions attempted in the previous Boards. In spite of these efforts, nature has taken its toll on the ponds over the 21 years since the neighborhood was established. Rain is the primary solution to making the ponds attractive.
- The idea of lining the ponds to make them vanity ponds was also suggested. The cost to make such a change is presumed to be prohibitive.
- Resident noted that the runoff ponds cannot be eliminated because of flood water management. Board noted that they are seeking input from the City of Broken Arrow regarding the runoff ponds.
- Resident noted that goats can be used to eliminate vegetation and overgrowth. Another resident suggested that ponds be planted with Bermuda grass. The Board was open to considering solutions.

VIII. Accomplishments by Current Board

- David reviewed the list distributed to all residents. (Provided with these Minutes as an attachment.)
- Board members have been working directly with vendors rather than going through a third-party management company which has simplified communications, expedited responses from vendors, and reduced expenses.

IX. Questions and Comments

- Question
 - Resident asked that dollar values be put to each accomplishment to illustrate how much the Board is saving by self-managing. She requested to know how much each accomplishment costs or how much is saved. Karen suggested putting such things in the newsletter.
 - Resident asked why there are three different Boards. Board explained that the Master covers all 164 homes, the Villas 52 of those within their gates, and the Cottages with 18 homes within their gates. Brenda noted that the Developer set things up this way with three separate corporations representing the 2 Boards.
 - Resident asked about the ugly flower bed on 51st Street asking why is it not being better maintained given the amount of dues being paid. Karen spoke about making changes over the coming year to improve the appearance of that flower bed as well as others in the neighborhood, with a focus on planting perennials. It was also noted that the improved sprinkler system will help as the flowers are now being sufficiently watered.
 - Question was asked about the ungated area and why there is so much spent on landscaping when there is not a park-like neighborhood area. An explanation of how the \$18,000 spent on landscaping was requested. Board expressed their desire to do more beautification around the neighborhood. The bulk of the landscaping budget goes to mowing of all common areas in both the ungated areas and gated.
 - Resident asked about the confusing, different invoices sent (in the Villas) by PMI. Villas residents received as many as 4 invoices from PMI prior to the annual meeting. Brenda explained that the Villas pay \$300 per household for the Master HOA and \$150 for the Villas HOA. Residents pay the full amount to the Villas, and the Villas HOA then pays \$15,600 to the Master HOA. Janet (Villas HOA President) received 2 invoices, Brenda 1 invoice, others received as many as 4 mailings. Janet said that a PMI representative would be at the Villas’ meeting immediately following the Master HOA Annual meeting.
 - Fencing around a home in the Cottages was asked about. Master Board determined it was the homeowner’s responsibility because of a faulty reinstallation by a contractor who installed a pool at the residence. Others contested that the fence came down because of the 2024 Father’s Day storm. Master Board will take the matter under further consideration and will seek bids for fencing repairs.
 - Resident asked if there is financial oversight of the books in the absence of PMI? Stacy answered that an annual audit may be undertaken. Another resident noted there were no audits of the books kept by PMI. The current Board is bonded under the Board’s Director’s and Officer’s insurance. Brenda offered to show the books to any resident who wishes to see them.
 - Resident raised questions about Covenant enforcement asking who is enforcing covenants such as trash cans being visible. Board responded that they are abiding under the 2018 policy of not policing the neighborhood per the Covenant Enforcement Process. Residents were encouraged to contact the Board directly (Board members’ names, and numbers are published on the website). Another resident suggested that neighbors speak to one another and ask or offer to help one another rather than having

violation letters sent to residents. People applauded the idea of being a friendlier neighborhood. So far, the Board has only received one call reporting a potential violation.

X. Nomination and Election of Board Members

- Nominations – Nominations were taken from the floor and written on a flipchart for residents to see. Nominees were:
 - Elisa Campbell – not present, Villas
 - Jason Evans – Master
 - Karen Ames- currently on the Board, Master
 - David Oldham – currently on the Board, Master
 - Richie Strain – Cottages
 - Darryl DeBorde – Villas
- Election – ballots were cast by residents in attendance and via proxies for residents not in attendance. The four nominees with the highest number of votes were elected to serve for 2 years on the Master HOA Board. Newly elected Board members are:
 - Elisa Campbell – Villas
 - Jason Evans – Master
 - Karen Ames- Master
 - David Oldham –Master

XI. Adjourn

- Stacy moved to adjourn the meeting and David seconded the motion.
- Seeing no opposition, the meeting was adjourned at 8:50 p.m.