Lake HollyHills HOA Special Members Meeting 10/25/2026
Purpose: Review the HOA's finances and vote on proposed dues increase.

Officers attending:
- Brian O'Neill
- David Piercey
- Chad Tietje
- Zulema Garcia
- Sarah Beltran
- Pamela Campbell
- Helen Kirsch

Members participating:
- Vicky Balestrine
- Sherri Tietje
- Raymond Charles
- Al and Deborah Ableman
- Crystal Mitchell

Other voting Members came and went.

Come to order at 4:04pm

Financial review - HOA President, Brian O'Neill (BO)

- BO reviewed a profit-and-loss summary covering the past 12 months.
- BO said membership dues and program-service fees, including late fees, totaled about $13,000 for the year, but current accounts were only $6,300. As more accounts become current, income will decline significantly.
- Expenses were described as roughly $13,000, leaving the HOA at risk of a shortfall when catch-up payments decline. BO said the remaining income would not be enough to cover ongoing expenses.

Dues increase vote and ballot handling instructions - BO

- The meeting was called to consider an increase in dues.
- The ballot included a yes/no vote and, if approved, a choice of increase amount and whether a fixed-income exemption would apply.
- BO explained that a ballot marked for a higher increase would also count toward lower increase levels.
- Secret ballots were discussed. Vicky Balestrine questioned the motives and use of Voter ID Numbers. BO explained it was the best practical way to achieve the secret ballot. The President has the list of owners with ID numbers assigned. The Secretary, who collects the ballots, and the counting committee has only the numbers. The ballots themselves have no identifiers, unlike past practice. Voters can use their numbers to cast a ballot by mail, email or in person, check whether their ballot has been received, or submit a replacement ballot. A later replacement would supersede the first ballot.

- BO said voting would remain open until at least 5pm. This was later changed to 6pm when it was pointed out that the meeting was to run until 6pm and the notice was unclear on when the polls would close.
- Sherri Tietje agreed to count votes. Another volunteer was requested. Helen Kirsch agreed to assist.
- The ballot box was inspected and sealed.
- Vote counters were instructed to tally first the "Yes/No" votes and announce the outcome, then tally the "Amount of Increase" votes.

Member Questions and Answers (while awaiting later ballots)

Q: Why are there Credit Card Fees?

A: Credit Card Fees are bank charges for processing credit card payments - Chase charges about 3.5%–4%

Q: Why is donated work recorded as income and expenses?

A: Some maintenance costs shown in the accounts represent donated labor or materials, recorded to reflect what the work could cost if the HOA had to pay for it. This is a legitimate practice. Efforts are made not to inflate expenses. Lawn mowing was discussed, including a prior contractor cost of $3,000 vs a $1,200 estimated charge for the past year.

Q: What are these Social Events Expenses

A: This is the July 4th fireworks expenses (about $1,100). The HOA paid $300, while community donations were solicited to cover the balance.

Q: What are the Contract Services?

A: BO identified the Collection Agency as one contract service accounting for about $2,000, and said the other item was uncertain, possibly related to a dumpster rental. BO promised to find out. *(note: the remainder under Contract Services has been identified as GoDaddy charges for the website*). The Director's and Officers Liability amount was entirely donated by the HOA President. The Collection Agency charges a flat fee of $37.50 per account rather than a commission. The flat fee can be legally charged back to the homeowner (under Texas law, a commission cannot) and that the agency does not earn more by selecting easier accounts.

Q: What is being done to enforce dues payment on the 40% who do not pay?

A: BO described the HOA's process as: applying a 10% annual late fee, referring accounts to collections (who can refer the debt to the credit agencies) after three years, and filing a lien on the property after four years. The amount of outstanding dues was stated as $16,000.

Legal status discussion

- Members Vicky Balestrine and Raymond Charles disputed that any dues should be collected given that the HOA is "illegitimate".
- Participants then discussed ongoing litigation challenging the HOA's legitimacy and incorporation history. The discussion included differing views about whether the association had been properly established, whether it had lapsed, and the significance of later reinstatement paperwork.

- BO described the HOA as incorporated in 1968, said property was transferred to it in 1976 in recorded deeds that explicitly mention collection of maintenance assessments, and said the articles of incorporation had a 50-year term ending in 2018. He said the reinstatement paperwork was filed with the Secretary of State in 2022, and that SOS lists the corporation as "active". He described reinstatement of the corporation as a "paperwork issue". Board Members agreed with this timeline, and pointed out that Vicky was herself the interim President in 2021.
- Vicky and Ray disputed aspects of that account, including whether the association was an HOA or a voluntary community association and whether the Secretary of State filing established or re-established legitimacy.

Votes Counted

- At 6pm, the ballot envelopes were turned over from the Secretary to the Counting committee, and Voter ID's double checked against a list of valid numbers. One vote was received late, at 6:05pm, and allowed. The Secretary announced a total of 40 envelopes and that the Secretary and Committee voting lists matched. There being 80 total votes, a majority of participants is any number greater than 40.
- The envelopes were opened and the ballots placed into the box. Envelopes are kept as part of the record.
- The ballot box was opened and counting commenced.
- After counting the "Yes/No" section, it was announced that the "Yes" votes won by a wide margin: 46 or 47 to 26. *(note: The discrepancy in the one "yes" vote arose because someone left the ""Yes/No" section blank but voted for an increase in the next section.)*
- The "Amount of Increase" was counted. The tally was 47 votes for an increase to $75, 38 votes for $100, 18 votes for $125 and 6 votes for $150. Since 47 represents a majority of participants, while 38 falls short by 3 votes, the new annual assessment will be $75.
- The tally for allowing exemptions was 19 (with 18 "no's"), which falls well short of a majority and therefore will not be adopted.

The Meeting was Adjourned by 6:30pm.

Accepted by unanimous vote 11/9/2021

Brian Reed, President