

**Heritage Lakes  
Board of Directors Meeting  
Minutes from October 16, 2006**

**Meeting was called to order at 6:33 p.m.**

**Attendance:**

**Barbie Chandler, HOA Board President  
Laurie Rilling, HOA Board Vice President  
Roberta Bohnet, HOA Board Treasurer  
Diane Rogers, HOA Board Secretary  
Tony Petrone, HOA Board Member At Large  
Linda Arquilla, SBB Management Company  
Heritage Lakes Association Community Manager**

**APPROVAL OF MINUTES OF September 18, 2006 MEETING**

The Board reviewed the minutes from the September 18, 2006 Board meeting. It was decided that the minutes be amended to reflect the following changes:

1. Section 3. Management Report Item 8 (page 3) amends to read: Mortar Cracking at Clubhouse – Randy Rhodes of DR Resources quoted a cost of \$535 to repair cracked mortar. Lennar has no warranty on the clubhouse facility. SBB to contact the warranty department for the State of Texas on legal warranty of structure. Fox Foundation Company to be called to inspect and give opinion/report on whether damage and cracking is due to structural foundation damage. Motion to approve change, seconded, approved.
  
1. **Presentation by Magnolia Fisheries** - Brian Farquhar of Magnolia Fisheries attended the meeting to advise the Board on the lakes and their care and maintenance. Brian Farquhar is a Fishery Biologist. Magnolia Fisheries provided the care and maintenance at Heritage Lakes for the first 4-5 years, being replaced by Pond Medics last winter. He indicated that they come by and inspect the lakes weekly. In accordance with state and federal regulations, they do not use any products that are harmful to the environment or the wildlife. None of the products they use bio-accumulate in the soil, the lakes or the wildlife. Unless otherwise directed, Magnolia Fisheries does not spray any of the grasses or other vegetation in or around the lakes. Laurie Rilling, Board Vice-President indicated that the presence of cattails is aesthetically pleasing.

Brian indicated that some cattail growth is pleasing, but that excessive growth provides habitats for snakes, rats and mosquitoes. In addition with excessive growth of cattails there will be some stagnant water. He is aware that the Board and community do not want algae growth on the ponds, and that we currently have rooted plants in the lakes. These plants and weeds need to be addressed and sprayed to keep the algae growth under control. Brian also indicated that none of the products they use on the lakes affects the fish population. All their treatments are done with environmentally friendly herbicides. Brian also indicated to the Board that although he is not the contractor for upkeep of the pond fountains, if his crew is out here working and they see a fountain issue they can fix that they do so

2. **Financials** – Roberta Bohnet, Board Treasurer reviewed the financial report as of August 31, 2006.
  - a. Line Item 4301/4600 – Clubhouse Rentals – Laurie Rilling noted that there was no income in line 4600 (guest rentals). Rentals need to be tracked and allocated correctly, separating guest from resident rentals. The board can then determine if it is profitable to rent the facilities to non-residents versus the cost for upkeep, damages and maintenance. A procedure needs to be established for the deposit of security deposits and rental checks upon receipt and the refund of any deposits after events. Deposit refunds would go through the management company and be reflected in the general ledger.
  - b. Line Item 4110 – Less Bad Debt – Budget number for current period is at zero, error that needs to be addressed and corrected.
  - c. Line Item 4850 – Golf Ball Income – this income will not be used for fiscal 2007 planning. All income gathered by the Golf Committee for events will be used specifically for Golfing events.
  - d. Line Item 5102 – Office Supplies – This category is already over budget. With four more months of expenses this category needs to be closely monitored. Recent payment for Internet Filter should be reclassified to 5465 Audio Visual/Computers.
  - e. Line Item 5105 – Website Expenses - as previously discussed, this amount is due to under-billing in prior years by the company that printed and distributed the community newsletter prior to going on line.
  - f. Line Item 5106 – Homeowner Functions – need to establish a better system for reimbursements and monitoring of this line item.
  - g. Line Item 5176 – Legal Fees – currently \$5,000+ over budget for the year primarily due to legal services for collection of past dues and homeowner violation issues.

- h. Line Item 5181 – Petty Cash Theft - \$4.68 difference in recovered funds to be moved to Line Item 5102 Office Supplies
  - i. Line Item 5506 – Pool Lifeguard/Monitors – This category is for the 911 emergency phone located by the pool. Line item to be renamed 911 Emergency Fund since we have no lifeguard/monitor service available.
  - j. Line Item 5440 – Clubhouse Furniture – expense for chairs to be moved to line 5800 Special Projects as this purchase is part of the allocated transition money.
  - k. Reclassify the cleaning expense for July 4<sup>th</sup> event to line item 5106. Cleaning expenses for functions to be classified and budgeted as part of the function expense.
  - l. Line Item 5461 – Activities Supplies – no expenses booked to this line item, but budget amount of \$1,000. Linda to see what was booked in this category last year. Consensus is that supplies for crafts and children’s activities/events should be expensed in this category.
  - m. Line Item 5504- Pool Repairs – Deck repair should be expensed to 5800 as part of transition money allocation.
  - n. Line Item 5660 – Lake Maintenance - \$1,600 for August, part of this was Magnolia Fisheries startup costs. Linda Arquilla to research and provide Roberta Bohnet with copies of invoices.
3. **Executive Session** – review of delinquent resident accounts. Motion made to have SBB automatically proceed with attorney collections on any overdue balance of \$150 or more, motion seconded, approved. Going forward there will be no waiver of late fees on late payment/receipt of dues. Residents have a full 30-day grace period already offered by the billing cycle.
4. **Management Report** – Linda Arquilla presented the SBB Management Report and update:
- a. Status of club coordinator position – Lesley Rolandt has accepted the position as club coordinator. This will be a full-time, 40 hour per week position. Lesley is giving notice at her current job and will start in a couple of weeks. Motion made to hire an additional 30-hour/week staff (full-time) position at \$20 to \$22K per year, seconded, approved.
  - b. Clubhouse Staff – it was noted that no staff was present at the facility at 2:30 on Sunday, October 15<sup>th</sup>. Linda Arquilla to research.
  - c. Cleaning of Clubhouse Windows – Bid received from Clearview for \$436. Motion made to accept bids and have windows cleaned, motion seconded and approved.

- d. Motion made to have a Certified Structural Engineer provide an official assessment of the cracking of the clubhouse brickwork near the fitness center. Motion seconded and approved. This assessment will put to rest any concerns about the integrity of the structure.
- e. Landscape and Pet Resolutions – original copies to be left at gatehouse for Board signature.

## **5. Old Business/New Business**

- a. Website Signage – Signs to be purchased from Hobson Signs. Two of each sign, one for each gate. Correct wording to be Architectural Change Forms. Purchase to be made of the \$128 signs with the \$36 drops.
- b. Holiday Lights – we have one more year on the current contract and the contract has no clause for termination. Contractor has already sent invoice. Decision made to hold invoice until lights are set-up and operational and work meets Board satisfaction.
- c. Randy Rhodes with DR Resources to provide bids for painting/varnishing/staining (as appropriate) of clubhouse doors (inside and outside) and cracking soffit; to repaint (should be warranty) bridge at 7<sup>th</sup> hole; to build concrete enclosure for directory signage at entrance/exit; to repaint curb at fire lane; and bid completion of sidewalk at road bridge on West Crescent.
- d. Management Monthly Suggestion – Include in the newsletter a photo and brief bio of each Board member and committee member. Also be sure to provide event photos in the newsletter.
- e. Virtual Town Hall Meeting Results – many good questions were raised and responses received. This format generated action and garnered more resident input and response than previous Town Hall meetings. Motion made to hold future Town Hall meetings as Virtual Town Halls, motion seconded and approved.
- f. 2007 Budget – Roberta Bohnet to form Finance Committee, notice to be sent to Webmaster for email distribution to residents to get volunteers. Preliminary budget to be ready for review at November board meeting.
- g. ACC Violations – Dead trees/plant material at residences – Linda Arquilla driving neighborhood, SBB receiving complaints from residents. Letters being sent to residents informing them of CC&R regulations on tree and shrubbery replacement.
- h. Vonage Phone Service – Motion made to convert to Vonage, seconded and approved.
- i. Resident, Richard Harris – wants to teach Yoga to the Community. Board feels would need to provide insurance certificates for liability,

property damage and sign indemnification waiver. Class must be free to residents. Motion made to allow class with above conditions, seconded and approved.

## 6. Committee Reports

- a. ACC Committee – Barbie Chandler, Board Liaison - Guideline Review – questions were raised on the following criteria:
  - Should specific size of shrubs in front of houses be designated – Board feels not necessary
  - Shed Size (maximum) – 10x12
  - Patio Covers – other composite materials allowed subject to variances and approval – takes into consideration new materials that are developed
  - Appeal hearings – Appeal of denials by ACC Committee for home improvements to be heard by Board only. not committee members
  - Any exterior modification should be approved by the ACC - yes
- b. Communications Committee – Barbie Chandler, Board Liaison. There will be a combined newsletter for November/December
- c. Social Committee – Diane Rogers, Board Liaison. Need more volunteers for successful events. Halloween Event planned for October 28<sup>th</sup>, notice sent to community to get volunteers. Fall Feast/Fest may be cancelled due to lack of volunteers (social meeting is this week). Holiday Party and New Year's Party dates set, plans still in process.
- d. Safety Committee – Laurie Rilling, Club Liaison. Laurie working on refinement of post orders. Brandie Koch will be coming back as chair to committee. Roberta Bohnet and Dudley Wilson met with City of Frisco (including representatives from the fire department, police department, office of planning and development) about keeping gates closed during all hours, even if gate personnel are not present. City is concerned about traffic backing up on Lebanon; Safety Services has concern with cars blocking gate; Police Department has issue with opening of gates and delay in response time to emergency situations; City denied request for keeping gates closed when guards are not present. Laurie Rilling will amend post orders to take out neighborhood patrols thereby ensuring that guards are present at all times at gatehouse.
- e. Nominating Committee – Roberta Bohnet, Board Liaison. Committee has been formed and first meeting next week. Committee members are Dudley Wilson (Committee Chair), Alvin Huerta, David St. Martin, Peter

Brezgiel, Darlene Yoquelet, and Michael McCord. Members of committee are not eligible to run for office.

- f. Pool Committee – Roberta Bohnet, Board Liaison. No report at this time, Lazy River is closed for winter season.
- g. Golf Committee – Tony Petrone, Board Liaison. Nighttime golf event held Thursday, October 12<sup>th</sup>. Great time had by all. Planning November event as a co-ed golfing tournament. Suggestion made to provide a golf clinic for residents, committee researching.

Next Board Meeting scheduled for Monday, November 20<sup>th</sup> at 6:30 p.m.

Meeting adjourned at 9:35 p.m.