

MINUTES OF REGULAR BOARD MEETING
JUNE 22, 2009

The regular meeting of the Board of Trustees of the Deerfield Village Community Association was held at 4045 Deerfield Village Drive in Houston, Texas 77084. President Walt Bohn called the meeting to order at 7:02 p.m.

Trustees in attendance were: Walt Bohn, President, Glenn Sommers - Vice President, Steve Dornak - Treasurer, Susan Greer - Secretary, Sharyn Carpenter, Marie Nugent, Mike Polk and Eric Toureilles. Trustee Marta Bott was absent, but had given her Proxy to Walt Bohn.

I. DETERMINATION OF A QUORUM It was determined that a quorum was present.

II. APPROVAL OF MINUTES

There were no minutes of the May meeting to approve due to the lateness of submittal by Secretary Susan Greer. The May minutes will be included in the next regularly scheduled Board Meeting packet for review and approval at the July meeting.

III RESIDENTIAL INQUIRIES

Resident Cody Mertz asked if he could make a formal proposal for the Board's consideration of his Eagle Scout project. All were in agreement for Cody to present his proposal.

With diagrams and aerial photos of the proposed site, Cody explained that this proposed project was to re-create the Sand Volleyball Courts for the use and enjoyment of Deerfield residents. He explained that his vision would be for the courts to be position further from the street (to decrease the noise factor that had been an issue with the previous courts instal led closer to the street and Patio Homes), for construction of benches for participants and observers, for a adjustable pole system (that would encourage use by all ages) and a slightly larger than regulation court that would include a 6" soft border for safety concerns. Cody had a well thought out proposal that included a proposition that the poles would be installed with the option of removal so if behaviors on the courts deemed a short-term removal period, they could easily be re-installed a second time. His proposal included supplying extra nets in the event of theft, and a no-cost feature to DVCA.

Sharyn made a motion that we accept this proposal of Cody's Eagle Scout Project. Glenn reminded us that we would need to have a motion to break away from the posted meeting's agenda to take a vote on the Project. At that time Glenn made such a motion that was seconded by Mike, and unanimously voted on by all. Sharyn then reiterated her motion to accept Cody's proposal, which was seconded by Glenn and received a unanimous vote by all present.

Cody thanked the Board and stated that he could now proceed to his Eagle Project

Review Committee for final approval of his project.

At this time Glenn made the motion to return to the posted Board Meeting agenda, the second was made by Susan, and all were in favor of returning.

IV. PRESIDENT'S REPORT

Walt stated that he is still working on the issue of flood control and our drainage ditch situation. The Flood Control representative for the County met with Walt and it was an encouraging discussion. He stated that the County Task Force can do maintenance work on our ditch and is looking who should be mowing the drainage ditch area. Another issue are the "sub-drains" that feed into the main ditch, many are in poor condition, these will be looked at and assessed. The inspectors stated that the last time the County cleaned out the ditch was in 1991, which was another area of concern. Walt is very encouraged that the County is acting and has a plan for improving our situation.

On a side note Walt asked if anyone had noticed the new US Mail box located at the edge of our parking lot. Walt happened to be by the box when the mail person was collecting the mail and made the comment that it looked really shabby by our new landscaping. The mail person had agreed that yes it was somewhat neglected looking and the next day we had a brand new mailbox!

V. TREASURER'S REPORT

As there was no meeting of the Finance Committee last month, Steve did not have much to report to the Bawd. Work has begun on the 2009 balance sheets and DVCA is at present showing 96.5 % collected in assessments for 2009.

VI. MANAGER'S REPORT

Lisa reported that the two new security cameras were to be installed and a test run conducted by she and Peter Howell had promising results. They are still to determine the best angles and should have everything finalized in about two weeks.

Good news on a past problem home that was years in arrears on their assessments, they had submitted a large portion of the amount. Another house was totally paid up, including the Attorney's fees and the reimbursement of monies out for their fence repairs that had been made by DVCA!

She stated that CM has set up the "remote" access so that she can we their workings on our accounts and the changes to bring them more inline with accounting principals. A final word from AMPC, they sent Lisa an envelope that contained an assessment fee from a resident, they evidently had never posted nor deposited the check!

VII. STANDING COMMITTEE REPORTS

A. Financial Services

Joseph Ellis, the representative for the audit firm, gave a report on his firm's report of which each Board Trustee had been sent a copy. He reviewed the Balance Sheet showing the status of DVCA's accounts and various line items of our expenses and remaining reserves. He pointed out a correction to a typo on page 7 that should read "2008" not

2007. Upon review on page 20 of the December 31, 2008 Officer's and names, Sharyn pointed out that there needed to be corrections to those. Joseph made note of the corrections to be made and asked if there were any further questions. There being none Walt stated that each Trustee should again review the report as a vote will be take next meeting to ratify the audit's final copy.

Chairperson Feeney stated that the financials are in good shape and the target completion date for the 2010 Budget is 26th. The Committee had not met so there was no report to be submitted.

B. Landscape Committee

The Committee brought forth a proposal to hire a Day Man for the provision of trash removal for the Common Areas on a weekly basis with the winning bid by GreenMasters for \$65.00 for two men/two hours. Mike made a motion for the Board to accept the proposal as stated, this was seconded by Steve. The vote was taken and was unanimous.

The Chairperson then stated that she was looking into spending around \$575.00 on work for the new drains and that work could start the next day. Walt inquired if the whole committee was agreeable on this. She stated that they have been talking about these repairs for some time, but would still make sure that all were in agreement.

There was some discussion regarding the watering of common areas and the age of DVCA's sprinkler system. At present the "schedule" for watering has been left up to GreenMaster's, but when questioned by Trustees, she stated that a meeting with the crew leader was coming up and they would discuss the watering schedule and times.

Glenn wanted to express thanks to Jay for the tree trimming on the Greenbelt areas and Walt expressed his thanks to Lanette for her hand-watering of the new plantings. Lisa stated that she is still receiving calls in the office praising the new plantings in the front and around the Clubhouse areas.

There was no written report submitted.

C. Security Committee

There was not a representative of the Committee, but written reports for the May and June meetings were submitted.

Walt wanted to let the Board know that we did have two tragedies in the community over the past weekend and to please remember the families and their losses.

Also a new third shift patrol from the Bear Creek station has begun, an experienced officer who seems very attentive to duty.

D. Swim Pool/Recreation Committees

Chairperson Peter stated that swimmers are taking advantage of the regular 7 day

schedule, and that some 800+ ids have been issued. There is still much discussion as to how many guests constitutes a "party" and the committee will again address this issue at their next meeting. A written report was submitted for the previous month's meeting.

The Rec's Movie Night was not as large as he had hoped for, some 30 folks at the last one. A trial Wednesday night movie may be held to see if more would attend. Board members expressed their views that 30 sounded like a 'success' and hoped that the movies would continue. Peter stated that since there is the additional cost for the extra pool guards on movie nights, he had hoped for larger numbers to help justify the costs. A written report for the Rec committee was submitted.

E. Tennis Committee

The Chairperson reported that the re-surfacing of the courts had been completed at a cost of \$13,366.71. The committee was somewhat discouraged over finding black "scuff" marks marring the new surface and said that an article in the newsletter would remind users to have the appropriate footwear. Gates had been relocated and repaired and the light switches are now on the *inside* which will stop people from being able to use the lights for other than playing on the courts.

In answer to a Trustee's question over use of the "cherry picker" to change and/or adjust the lights, it was reported that not all of the light poles are the hinged variety, so it does necessitate the use of this machine.

The committee also wanted to offer part of the budgeted funds for the repairs of the ice machine since they are a primary user of the ice.

The minutes of the June meeting were submitted.

F. Community Services

The Committee brought a proposal for the replacement of the ice machine's bin. Since the machine was purchased from Raymark/Rayford, and the only company to service it, the committee only requested a bid from them. The bid amount was for \$1,228.64 for removal of the old rusty bin, installation of the new, and the re-installation of the ice machine mechanism. As this cost, albeit high, will return the function of the ice machine, and how the motor was already replaced, the committee asked for these funds in lieu of a totally new machine.

Glenn made the motion to accept the committee's proposal as written, Sharyn gave the second, and the proposal passed with a unanimous vote.

The committee is still working on updating the policies and procedures for the DVCA website, some areas have not been updated since 2002!

There was not a submitted report for the last monthly meeting.

G. Deeds Committee

As the Chairperson was out of town, Lisa gave a report that the committee has revisited their procedures and has determined that as members list and document a problem, letters will not be sent until the second rotation has also reported the same problem. Also a "S" letter has been implemented, that being that "special" wording in the letter will ask the resident to please contact the committee regarding the stated violation, otherwise the only option would be to go before the Board asking for Attorney intervention.

The proposal for consideration is the Definitions of Minor, Moderate and Major as they apply to Deed Restriction Violations. Each category's listing will still take into account the individual homeowner's situation where applicable. These definitions will determine which of the letters that the committee would send. Susan made the motion to accept this proposal as written; a second was made by Sharyn. A vote was taken and the motion passed unanimously.

A second proposal brought for two homes, who have already received the second letter with no return response, to call the Attorney and request that the Attorney make a call to the homeowners to see if he can "prompt" and resolution. Glenn made a motion to accept this proposal and it was seconded by Steve. A unanimous vote was taken on the proposal.

VIII OLD BUSINESS

The status of the By-Law review was reported by Walt. He has spoken with the Attorney after he did the Title search regarding the Certificate of By-Laws. Walt and Lisa will go thru all of the papers and isolate the ones that show transfer of the Patio Homes to DVCA. These papers will be kept separate from the other By-Laws of DVCA, possibly in a safety deposit box.

IX. NEW BUSINESS

A. Hudson Energy has sent a return response and would like DVCA to pay \$3,000.00 to "settle" the issue of the outstanding billing. We will again counter with the fact that DVCA did not contract with them for the electricity, that it was done by the representative of AMPC without our approval. The question of "intent", by us paying the monthly bills, was raised by Hudson. Our response was that the amounts that we paid were about the same that we had been paying, and the change in name did not raise any questions as names of companies change from time to time without warning, so it does not imply "consent to change". We will wait for the next response from Hudson.

B. This issue is one that has recently come to our attention and we need to address it immediately to prevent delinquent homeowners from using this loophole. According to Texas law, a lien on a property will "dissipate" after the fourth year of the lien, and there can not be a re-filing of the lien. Our Attorney and CMS has made us aware of this issue and the Board feels that a policy on a procedure should be adopted to help close this loophole and prevent homeowners from just stopping payment on assessments and waiting for the four years to pass.

There was much discussion over the time period and how long we should wait before contacting the attorney for filing. Glenn began the wording of such policy and after revisions and discussions the motion was made; DVCA will establish a policy that after eighteen (18) months of the first lien, or after a second lien is placed on a delinquent property, DVCA will turn the property to the Attorney to pursue the foreclosure remedy by filing a collection lawsuit on said property. The motion was seconded by Mike and passed unanimously.

C. CMS our new accounting firm has suggested that DVCA pursue the possibility of converting to a 501C4 non profit entity. Walt asked our Auditors for their opinion regarding this and they responded that they had suggested that course of action when they were retained by DVCA. Our lawyer was also contacted, and he did not see any impediment to making the conversion.

As a 501C4 entity, DVCA would continue to operate as it does now, but would be exempt from paying sales tax. Based on our history, the sales tax exemption would generate savings of about \$10,000 per year. In addition, DVCA could file to be reimbursed for sales taxes paid over the last three years.

There is no guarantee that the exemption would be granted, however CMS has reported that other subdivisions similar to DVCA have not had any problems. There is also a cost to file which would be about \$5,000. If the conversion was granted, the cost to pursue reimbursement of the past years sales tax would cost around \$275 per year.

After discussing the issue, the issue was tabled to give the Board members ample time to think about the conversion concept.

D Amsbury residents have again approached DVCA about the possibility of using our pool facilities as they do not have a pool in their community. The President of Amsbury stated that the few residents of theirs who are requesting this do not want to join Pine Forest and at present that is their only option. There was discussion that this should be treated as a totally separate issue from the nonprofit entity issue. Again there are positive considerations as it could be on a "social membership" which would create revenue for DVCA, but there would have to be restrictions on how many guest, the extent of their privileges and such to be equitable to our residents. In the interest of time, this too was tabled till next month.

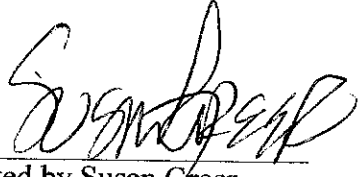
X. EXECUTIVE SESSION

Glenn made the motion to retreat into an executive session. This was seconded by Mike and unanimously passed.

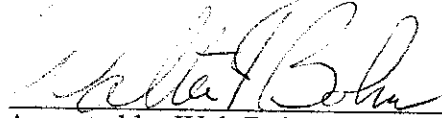
After the session, Glenn made a motion to return to the regular meeting. A second by Mike was followed by a unanimous vote for a return.

XI. ADJUORNMENT

The motion was made for an adjournment for the meeting. This was seconded by Mike and a unanimous vote was taken. Walt called the meeting adjourned at 9:10p.m.



Submitted by Susan Greer
Secretary



Accepted by Walt Bohn
President