

**CAT MOUNTAIN HOMEOWNERS ASSOCIATION, INC**

**ANNUAL MEETING OF THE MEMBERS**

**Date:** March 10, 2010

**Time:** 7:00 pm

**Location:** CMHOA Clubhouse, 6007 Mt Bonnell Rd, Austin, TX, 78731

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1. CALL TO ORDER. 7:13 p.m. Present at the meeting were: Directors (Mr. Schley, Mr. Oppenheimer, Mr. Harrison, Mr. Grant and Mr. Dully); the Manager (Jesse Chargualaf); 33 homeowners in actual attendance and 95 homeowners attended by proxy, for a total of 128 in attendance. The number of homeowners required for a quorum was 101. Mr. Schley, the President, called the meeting to order and asked the other members of the Board of Directors to introduce themselves.

2. APPROVAL OF 2009 ANNUAL MEETING MINUTES.

Mr. Boone moved that the draft minutes of the February 18, 2009 annual meeting of the members be approved; seconded by Ms. Harrison; the motion was unanimously adopted.

3. COMMITTEE REPORTS:

- a. Communication Committee. Mr. Joseph reported on the activities of the Communications Committee, indicating when the newsletter was issued during 2009, and the explained that the ad revenues from the newsletter just covered the costs of preparing and distributing the newsletter. Mr. Joseph also reported on the activity related to the Association website in terms of visits and pages visited.
- b. Environmental Control Committee. Mr. Chargualaf reported that the Environmental Control Committee had reviewed seven requests for minor repairs to houses. In addition, there was one major modification to a house on North West Place which the ECC approved during 2009.
- c. Reserve Committee. Mr. Grant described the reserve study prepared by the Association in late 2006 and addressed the continuing monitoring of the results of that study over the succeeding three years. The study considers anticipated expenditures by the Association over a thirty-year period for repairs and replacements to its capital assets and provides guidance on how funds should be reserved for the anticipated funding.
- d. Social/Activities Committee. Mr. Joseph reported that four social events were held during 2009: the Easter Egg Hunt; the National Night Out; the Summer Barbeque; and the December Holiday Party.
- e. Welcome Committee. The Manager reported that during 2009, the Committee distributed 10 to 15 welcome baskets to new homeowners in the Cat Mountain Homeowners area.

4. PRESIDENT'S REPORT

Mr. Schley provided a report of the Association's activities during 2009, highlighting the coordination with the Austin Police Force, and the need to report incidents, such as solicitors, to the Police, as the Force allocates its personnel in accordance with the level of reports it receives from an area. Mr. Schley urged the homeowners to provide their email addresses to the Association, so that the Association, as applicable, can provide pertinent information to the homeowners. The email addresses will only be used for Association business and will not be provided to others. Mr. Schley reported on the success of the social events and that the Clubhouse has now been qualified as the voting place for Precinct 231.

Mr. Schley emphasized the importance of reporting any alterations to the exterior of houses or repair work to the exterior of houses to the Environmental Control committee for the Committee's review and approval. The ECC process is key to maintaining the value of the properties in the Cat Mountain area and control potentially adverse activities that have affected other areas that are without a formal homeowners association process.

Mr. Schley reported that the Association changed its attorneys during 2009 to the firm of Armbruster & Brown. Litigation has been initiated against one homeowner who has allowed her property to deteriorate and had declined to take appropriate steps to comply with the Covenants and Restrictions. Mr. Schley also reported that the Association had initiated steps with its insurance broker to make alterations to its insurance package to reduce the cost while ensuring that the insurance required by the Association is provided.

Mr. Schley indicated that the Association has a pressing need for a Publisher of the newsletter, as Kurt Joseph, who has taken that role since 2005, has demands that require him to relinquish the post. In addition, Mr. Schley indicated that there is a need for volunteers for the Environmental Control Committee to replace two of its incumbent members. Mr. Schley also reported that through the efforts of Dick Oppenheimer and his daughter, the Association had recently refurbished the furniture in the Clubhouse. The Board had also voted to increase the Clubhouse rental to \$100 per event. In addition, in accordance with the Association's By-laws, the 2009 financial statement of the Association will be audited during 2010.

During the question and answer session that followed, the following subjects were discussed: the insurance modifications; possible enhancement of the street-appeal of the Clubhouse; the increase in the Clubhouse rental amount; replacement of the entrance signs and possible "rebranding" of the Association's area; and concerns about the damage to vegetation in the Common Areas caused by deer.

## 5. FINANCIAL REPORT

Mr. Grant, the Treasurer reviewed the Association's financial statements for 2009, consisting of the Balance Sheet and the income Statement. The Association had net income in excess of \$20,000 and its results of operation for 2009 were favorable compared to the budget presented at the 2009 Annual Meeting of the Members, despite certain costs, such as legal costs associated with the enforcement actions by the Association, exceeding the originally budgeted amounts. Mr. Grant also reviewed a Statement of Revenues, Expenses, and Fund Balances for 2009, which sets forth the Reserve Fund and Operating Fund as of December 31, 2009. As of December 31, 2009, the Reserve Fund is \$221,841, which was within the maximum amount of \$150,000 set forth in the By-laws when escalated for the Cost-of Living Index since 1991 as provided in the By-laws. Mr.

Grant also reviewed the Budget for 2010. Net income is expected to be about \$8,000 for 2010; the reduction is primarily due to the costs of the audit to be conducted during 2010 and increased legal costs associated with the enforcement action initiated by the Association which the President reported upon. The Association has also budgeted a total of \$25,000 in capital expenditures, for drainage projects and replacing and refurbishing equipment and the Clubhouse furniture and furnishings during 2010.

During a question and answer session that followed the financial report, the following were discussed: the authority of the Association to raise the homeowners' annual fees; the cost of the audit; assumptions utilized in developing the budget and consideration of potentially non-recurring expenses, such as for the enforcement action; and the expected actual capital expenditures compared to the Budget.

## 6. VOLUNTEER AWARDS

The President recognized the following individuals for their generous contributions to the Association and to the betterment of the residents of the Association area:

Carol Blanchard	Welcome Committee
Kathy Lockhart	Welcome Committee
Chad Willman	Environmental Control Committee
Jerry Fineg	Environmental Control Committee
Andrew Ma	Environmental Control Committee
Gene VanDiver	Environmental Control Committee
Sundeeep Goel	Social Events Assistance
Nishi Sarda Goel	Social Events Assistance
Joan Fineg	Welcome Basket Gifts
Susan Henderson	Social Events Assistance
Gail Dully	All-Around Volunteer
Melissa Matthews	Twin Ledge Circle Flower Bed Maintenance
Kurt Joseph	Years of Service to Communications and Social Events Efforts and other Contributions to the Association

The President also expressed a hearty welcome to the new homeowners who were in attendance and asked them to introduce themselves.

## 7. ELECTION OF DIRECTORS

The President indicated that three candidates were listed on the Ballot, as they had submitted their names earlier this year in response to the letter sent to members soliciting candidates for the open positions on the Board for the two-year term beginning in 2010, and one vote had been submitted for a separate write-in candidate. The President announced that except for the one vote for the write-in candidate, the rest of the 128 votes represented at the Meeting voted for John Harrison, Davison Grant, and Richard Schley to fill the open positions on the Board of Directors for the two-year-term beginning in 2010. Motion by acclamation to approve the results of the election as reported by the President; seconded by Mr. Dully; the motion carried by the margin indicated by the President.

10. ADJOURNMENT. The meeting adjourned at 8:15 pm.