

TERRACES ON MEMORIAL H.O.A., INC.
Board of Directors Meeting Minutes
Wednesday, January 29, 2025

A meeting of the Board of Directors for Terraces on Memorial Homeowners Association, Inc. was held on Wednesday, January 29, 2025, at 6:30 PM at Crest Management Company, 17171 Park Row, Suite 310, Houston, TX 77084.

I. CALL TO ORDER:

A quorum was established, and Board President Nick Kornuta called the meeting to order at 6:32 PM.

Board Members Present

Nick Kornuta, President
Jodee Caceres, Vice President/Secretary
Karen Mills, Treasurer
Funmi Ekundayo, Director
Sunny Chelmella, Director

Crest Representative Present

Cindy B., CMCA, AMS

II. HOMEOWNERS PRESENT

There were three homeowners present at this month's meeting whom were present for their hearings.

III. SECRETARY REPORT – APPROVAL OF MINUTES

The minutes from November 20, 2024, Board of Directors Meeting were presented, and a motion was made, seconded, and unanimously approved.

IV. TREASURER REPORT – FINANCIAL REPORT

1. The Board received the financial reports for November and December 2024.
2. Financial Report – Nick Kornuta reviewed the financials, and they were approved as submitted.
3. Total assets as reported per the Balance Sheet of November 30, 2024, were reported as \$1,648,394.01 with \$571,278.02 total cash in Operating and Money Market accounts, and Total Reserve Funds were reported as \$1,055,865.73. Total assets as reported by the Balance Sheet of December 31, 2024, were reported as \$1,735,881.85 with \$636,783.13 total cash in Operating and Money Market accounts, and Total Reserve Funds were reported as \$1,079,170.60.
4. Total YTD expenses as of November 30, 2024, were reported at \$314,390.16. Total YTD expenses as of December 31, 2024, were reported at \$352,586.84.
5. Total YTD Delinquency as of November 30, 2024, was \$8,266.90. Total YTD Delinquency as of December 31, 2024, was \$8,317.67.
6. Following the review of the year-end financials, a motion was made, seconded, and unanimously approved to transfer \$20,725.16 into the Capital Reserve account.

V. MANAGEMENT REPORT

1. General Maintenance Issues

i. Gates/Cameras

- a. Camera – There was nothing to report for cameras.
- b. Gates – Concerning the Granite invoicing, Cindy B. reached out to the Granite representative via email, requesting a list of area codes that may incur similar charges, whether minimal or substantial. This will allow the Board to monitor these area codes and take proactive measures to avoid incurring such charges in the future, thereby helping to prevent unnecessary fees.

- ii. Landscape – Monarch Landscape informed the Board that due to the freezing weather; they've taken proactive steps to prevent freeze damage to the irrigation system by winterizing the backflow preventer and turning off the irrigation. After the freeze passes, Monarch will begin pruning in stages over the next several weeks: Immediate pruning of damaged plants (e.g., Elephant Ears, Bird of Paradise) to prevent the spread of insects or disease. In early-mid February, pruning of early-emerging plants (e.g., Liriope, Crape Myrtles, Roses). After the risk of further freezing has passed, Monarch will remove freeze damage from cold-sensitive plants (e.g., Oleanders, Dianella, Foxtail Ferns). Some areas may appear bare temporarily, but plants should begin to fill back in within 4-6 weeks. Lastly, Monarch stated they will closely monitor progress and can schedule a meeting in the spring to assess any plants that may need removal or replacement.
- iii. Lake – Lake Management was out for their scheduled lake maintenance. During this visit, they performed their routine lake maintenance throughout the lake and entry pond by removing trash and debris. Lake Management tested the fountain, lights, GFCT's and timers and found no issues. It was noted that the west fountain spray pattern was incorrect. Lake Management attempted an infield repair with no success; therefore, they pulled the fountain to service at the shop. It was determined the problem to be water flow and resolved it with a thorough cleaning and new screen. Lastly, Lake Management test ran the water well and collected the meter reading.
- iv. General Maintenance – There was nothing to report this month.

VI. OLD BUSINESS

1. Status on Progress of Creating ARC Guidelines – The revised ARC Conditions, along with the ARC Guidelines, were submitted to the association attorney for review to facilitate the finalization of the ARC Guidelines, with the Conditions to be included as an exhibit.

VII. NEW BUSINESS

1. Discussion Regarding Options for the Oak Tree Root System Behind Daly Drive – A copy of the email thread was included in the board packets. After reviewing and discussing the options presented by a professional tree company, the Board concluded that the most cost-effective solution is to remove the tree in its entirety. Should the homeowner wish to retain the tree, any necessary root management will be their responsibility, including the installation of a root barrier or trimming, which must be confined to their property and not the HOA's
2. Discussion Regarding Homeowner's Request to Briarhills POA for Additional Playground Lighting – A copy of the request was included in the board packets. Following a brief discussion, the Board requested that Crest Management draft a letter on their behalf, requesting that Briarhills POA consider installing additional lighting at the playground to enhance evening enjoyment for all residents.
3. Discussion of Briarhills POA Shared Use Agreement – A copy of the email thread was included in the board packets. Nick Kornuta noted that he has sent follow-up questions to Briarhills POA regarding the fee structure. Once the additional information is received, the Board will discuss it via email to potentially come to an agreement.

EXECUTIVE SESSION

VIII. DEED RESTRICTION VIOLATION REVIEW

1. Hearing - EMR Denial 24401SF02023 – Cover Over Pergola – The homeowners were present. Following a thorough discussion and review, the Board has concurred with the ARC Committee's recommendation to deny the pergola cover request. The decision is based on several factors previously outlined, including the established precedent of denying pergola covers, concerns regarding safety and longevity, and the potential for the screw holes to deteriorate over time, even with periodic inspections and screw replacements, which would ultimately compromise the structural integrity of the cover; by design, pergolas are intended to be open structures.
2. Hearing - EMR Denial 24401SF01011 – Artificial Turf – The homeowner was present. Following a review and discussion, the Board has concurred with the ARC Committee's recommendation to deny the artificial turf installation request. In accordance with the Terraces on Memorial CCR's, Article VI, Section 2, the Architectural Review Committee (ARC) aims to protect the environmental and architectural integrity of the community. Artificial turf does not contribute to natural water conservation in the same way as native plants, mulch, or gravel. Additionally, it poses environmental risks by releasing microplastics and toxic chemicals into

local waterways, soils, and the community lake, which eventually affect the broader ecosystem. Despite claims of low maintenance, artificial turf requires regular watering to maintain its condition and manage odors, particularly in hot weather. Studies show that the surface temperature of artificial turf can exceed that of asphalt, causing potential burns, especially during summer months. While artificial turf may appear convenient, it ultimately compromises both the environmental and aesthetic integrity of the community. Therefore, it is not in the best interest of our standards to permit its installation.

3. A copy of the Enforcement Action Report was provided in the board packets. After review, one account was closed, and a motion was made, seconded, and unanimously approved to send account 24401SF02005 to the association attorney for enforcement.
4. A copy of the Exterior Modification Report was provided in the board packets.


IX. DELINQUENCY REVIEW

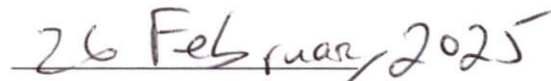
1. A copy of the accounts receivable report was provided in the board packets. There was no action to be taken this month.
2. Review and Approval of Authorizations to File Suit – A copy of the email was included in the board packets. After review, a motion was made, seconded, unanimously approved to authorize collection lawsuits for accounts 24401TH04033, 24401PH03019, and 24401PH03044.
3. Request for Fee Waiver for Account 24401TH04032 – Since the homeowner was not present, the decision to deny the request for fee waivers on the homeowner's account remains in effect.

X. ADJOURNMENT

There being no further business to discuss, a motion was made and seconded; all were in favor of adjourning the meeting at 8:45 PM.

The next Board Meeting will take place on Wednesday, February 26, 2025, at Crest Management.


Jodee S. Caceres, Secretary


Date