

THE VILLAS OF SOUTH PADRE HOMEOWNERS ASSOCIATION
October 17, 2023 Board of Directors Meeting

The Board of Directors of The Villas of South Padre Homeowners Association (HOA) met on October 17, 2023. In attendance were Directors Barbara Hays, Gerald Geletzke, Juan DeAnda, Dabney Helms, Ruben Solis, and property manager Pat Marchan.

- 1) Pat Marchan and Ruben Solis reviewed the fiscal year-end financial report and the current fiscal year-to-date financials:
 - a. July 1, 2022 – June 30, 2023 fiscal year financial report resulted in expenses being approximately 4.5% over budget. Security costs were the driving factor for this overage due to extended family health emergencies for Eddie Garza, resulting in unexpected overtime contract security pay. Also, the hot tub heater failed in January and required new parts.
 - b. Current year-to-date (July 1, 2023 – Sept. 30, 2023) shows The Villas operating expenses are below budget, and that includes an unexpected \$3,031 cost to replace the main air conditioner in the clubhouse in the month of September. Overall, The Villas financials are healthy.
 - c. The Villas maintains a cash reserve to cover unexpected large maintenance items and unexpected costs (such as the security overtime increase due to the extended family health emergency cited above), and for planned 5- and 10- year large cost maintenance items. Currently banks are offering one-year high interest CDs at above 5.6%. The Board has authorized Pat Marchan to move \$50,000 of the reserve funds into a high interest CD effective immediately, and has recommended that an additional \$25,000 be moved into a 6-month high interest CD the end of Dec. 2023. This 6-month CD will mature at the beginning of hurricane season so the cash will be available should there be damages due to hurricane/storms.
- 2) The board discussed pay raises for both Eddie (security) and Humberto (maintenance). Their last pay increases were Feb. 2022. The Board discussed rising cost of living due to the previous year's high inflation, and the rising cost of wages, to bring both of them up to an hourly wage respective to their years of service and experience. The 2023-2024 fiscal year budget did include a pay increase for both of them. Dabney Helms made a motion (Juan DeAnda seconded) to increase each of their wages by 15%, effective December 1, 2023. The motion was approved and Pat will let each of them know of this pay increase.
- 3) The irrigation system for the common areas is in need of repairs. It has been a few years since the valves and sprinkler heads have been checked and adjusted, and there are significant areas of dead grass along the common area walkways. Board president Barbara Hays met with Taylor of TK Lawn Care in July to determine if the dead grass patches were a bug/fungus issue or a sprinkler/water coverage issue. It was determined to be an irrigation system problem. After a discussion at this meeting Dabney Helms made a motion (Gerry Geletzke seconded) to authorize up to a maximum of \$2,500 in evaluation and valve and sprinkler head adjustments and/or repairs. The motion passed and TK Lawn Care will begin the sprinkler system review and repairs on the next regularly scheduled lawn service day (Oct. 18, 2023).
- 4) We are coming up on the winter holidays of Thanksgiving and Christmas. The Board set the days for the pool to be heated over each of these holidays:
 - a. Thanksgiving – turn heater on the afternoon of Fri., Nov. 17, 2023; and turn heater off the afternoon of Sun., Nov. 26
 - b. Christmas – turn heater on the afternoon of Wed., Dec. 20, 2023; and turn off the afternoon of Mon., Jan. 1, 2024.

- 5) Gerry Geletze and Pat Marchan discussed a potential timeline to resurface the tennis court. They have been unable to locate an area (Brownsville-Harlingen area) contractor that does tennis court resurfacing. They will continue to explore other options for getting an evaluation of the remaining life of the current surface, and a cost estimate for resurfacing at the end of the current remaining life.
- 6) Pat gave an update on repairs to the Rainbow Playground. The parts have been ordered and are expected to be delivered within the next 2 weeks. Parts include chains, hooks, swings, rope ladder, bolts, and a new tarp that was destroyed in the late April wind storm. The structure will also be re-leveled, and the wood will be sanded and then stained.
- 7) The Board approved the agenda for the annual homeowners meeting. The meeting will be held on Saturday, November 4, 2023 at 10:00 a.m. in the clubhouse, with a Zoom option. The final agenda will be posted on The Villas website (**thevillasspi.com**) and will be emailed to all owners prior to the meeting.

Dabney Helms
Secretary
Villas HOA Board of Directors