

**THE VILLAS OF SOUTH PADRE HOMEOWNERS ASSOCIATION**  
**April 3, 2024 Board of Directors Meeting**

The Board of Directors of The Villas of South Padre Homeowners Association (HOA) met on April 3, 2024. 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 current fiscal year-to-date financials. Current year-to-date (July 1, 2024 – March 1, 2024) shows The Villas operating expenses are below budget, and that included 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.
- 2) The board discussed the July renewal of the property insurance including (community) property, liability, windstorm, and flood. The latest FEMA flood zone map (FEMA-2023) shows a low risk of actual flooding from rising water in the Villas zone VE, but the potential for a storm surge is higher in the event of a major hurricane and thus flood insurance is not an option for the community property. Insurance costs are approximately 10% of our operating budget. Ruben and Pat will review the insurance quote that is expected in late June/early July and will determine the optimum deductibles for each of the policies to ensure full coverage at the lowest premium.
- 3) The security contract is up for renewal effective July 1. Pat was asked to go out for bids with at least 3 security contract firms. Texas Property Code requires property owners associations to bid all contracts with a value of over \$50,000. The board will evaluate the bid results and select the security firm that has the lower price and meets all the requirements for security here in The Villas.
- 4) The Villas has had a \$75,000 line of credit with First Community Bank for many years, renewed annually. This line of credit provides immediate access to funds in the event of major damage, such as from a hurricane, fire, or other disaster. Dabney Helms made the motion and Gerry Geletzke seconded it to approve a \$75,000 line of credit for the 2024-2025 fiscal year and authorize Board President Barbara Hays to have signature authority for the line of credit documents. The motion passed.
- 5) The Board discussed an adjustment to the Rental Packet fees. Currently renters are charged a one-time \$30 fee to cover expenses that the Villas incurs to prepare rental packets, including wristbands, car tags, and the large security involvement with rentals. Security is 57% of our operating budget or \$189,000 annual cost. Pat and Barbara investigated rental fees at other properties and resorts and the board discussed the following options:
  - a. Increase short-term rental packet fee: Other rental properties have much higher rental packet fees, with some charging a daily rental fee. Here in The Villas, round-the-clock security is a necessity with over 30% of our homes as rental property. After much discussion Juan DeAnda moved and Gerry seconded a motion to increase the short-term rental packet fee to \$150 per rental, effective July 1, 2024 in line with our fiscal year. The motion passed.
  - b. Set a long-term (over 30 days) rental packet fee: Currently there is no long-term rental packet fee, but instead is just the one-time rental fee of \$30. We have several winter Texan rentals of 1-3 months. The board felt that we absorb the same security costs over the entire long-term rental as with any short-term rental, and we should consider additional rental packet fees for long-term rentals. Dabney made the motion and Gerry seconded that long-term rentals should be assessed an additional \$150 rental packet fee at the end of each 30-day period of their rental. The motion passed and this will be effective July 1, 2024.

- d. Consider a silicone wristband for long-term renters with a refundable deposit for each wristband: long-term renters can request a silicone wristband (owner wristband) during their stay, as opposed to the temporary snap plastic wristbands for short-term rentals. The board felt that these wristbands should be a different design from the owner wristband as they do not have access to the clubhouse/exercise room. The board agreed that refundable deposit wristbands would work as the deposit would be for each wristband/person, and not for each rental unit; and the deposit would be refunded for each wristband the renter returned. Dabney made a motion and Gerry seconded to require each person in a long-term rental to pay a \$25 per wristband fee, refundable for each returned wristband. The motion passed and will be effective July 1, 2024.
- 6) Barbara provided an update on the Villas website (thevillasspi.com). The administrator has modified the website so that any time there is an update or a change in the information on the webpage each website-registered owner will get an e-mail notifying them of this update. Over time the hope is that the website will become the source of not only current information but also issues/emergency information for owners.
- 7) Barbara noted that during Semana Santa/Easter week holiday there were hot tub and restroom issues at the pool. The hot tub had a lot of sand in it that clogged the recirculating line, and then we were unable to maintain the temperature. The hot tub was drained, cleaned, and put back in service. Also, there was some vandalism in the male outside bathroom with human waste smeared on the floors and the walls. This required a Clorox sanitizing clean of the entire restroom.
- 8) The Board set the date for the 2024 annual homeowners meeting. It will be on Saturday, November 2, 2024 at 10:30 a.m. The meeting will be held in the clubhouse with a zoom option. Barbara will notify the website administrator to add this meeting notice to the website immediately.

Dabney Helms  
Secretary  
Villas HOA Board of Directors