

THE VILLAS OF SOUTH PADRE ISLAND

Homeowners Association Annual Meeting November 2, 2024

The Villas of South Padre Island Homeowners Association 2024 Annual Meeting was held on November 2, 2024 at 10:30 a.m. in the Villas Clubhouse with a Zoom option.

The meeting was called to order at 10:49 a.m., due to computer issues, by President Barbara Hays.

1. Status of Quorum – Pat Marchan, Property Manager
Twelve addresses signed in. Additionally, there were two proxies, and one Zoom address attending for a total of 15 owners. A quorum requires 26 addresses, so there was not a quorum.
2. Introduction of Board Members
Barbara Hays, President
Gerry Geletzke, Vice President
Juan DeAnda, At Large Member
Ruben Solis, Treasurer
Dabney Helms, Secretary
3. Opening Remarks – Barbara Hays
Barbara thanked those in attendance and on Zoom for coming to the meeting, and thanked owner Cindy Geletzke for volunteering to take the minutes of the meeting. She gave an update on the beach re-nourishment that is currently underway in front of The Villas but should be completed and moving farther south within a few days. An update on home sales in The Villas is three listed for sale, one of those is a sale-pending. Updates on general South Padre Island business is the new Sea Turtle Inc. hospital is nearing completion, the Convention Center expansion project is nearing selection of a contractor, there are two new rides at Gravity Park, a few new restaurants have opened on the island, and a new retail shop is being built across the street from The Villas entry. Padre Blvd re-surfacing will begin in December and is projected to be completed by Valentine's Day, barring minimal weather delays. Sales tax revenue across the island is down about 15% from last year in spite of the new business/restaurant growth, and we saw that here in The Villas with a decrease in summer rentals. She also reminded residents that we have an HOA website, which was mandated by Texas law in 2021. It will be the main source of information for the HOA, including all governing documents, meeting notices and minutes, events, and updates regarding such items as pool heating dates and any maintenance issues that directly impact our owners.. Any time a posting is made to the website an email will be sent to all owners to check the website for the update. Owners are strongly encouraged to register for the website to be able to access these updates.
4. Financials – Ruben Solis and Pat Marchan
Our fiscal year is July 1-June 30. Pat and Ruben presented the 2023-2024 fiscal year financial report review. We were \$3,600 over budget, but had unexpected expenses due to having to replace the front entry gate mechanism, pool heater control board replacement, and border wall concrete repair on the beach walkway. A couple of categories were under budget which helped minimize the overage. The 2024-2025 fiscal year budget was also discussed. Rental packet fees were significantly increased to help defray the rising cost of security; this should result in about a \$20,000 increase in income if rentals remain strong.

Insurance costs increased by \$2,000, and security costs will increase by \$14,000 because of a \$2/hr price increase effective July 1, 2024. The tennis court resurfacing was included in the budget and was completed in October. Details were listed in the distributed financial handouts.

5. Tennis Court/Playground/Pool Update – Gerry Geletzke
Gerry discussed some of the expenses incurred in maintaining the Villas amenities for the last 5-6 years. These included resurfacing the pool in 2020, resurfacing the tennis court with striping for both tennis and pickleball in October 2024, replacing some fencing by the tennis court, replacing the playground wood in 2023, and shoring up the beach access damaged by a storm in 2020. The sea wall is currently in good shape. The roof on the club house was replaced in 2018 re-using most of the tile and adding an improved underlayment which should last a long time.
6. Fences/Border Wall/Main Gate Update – Juan DeAnda and Pat Marchan
Juan discussed the repairs to the gate which included replacing the motor control board and the keypad entry box. The warranty on this type of work does not include rust or corrosion. Residents who would like a unique 4-digit entry code, to get access through the gate when guards are on their rounds, should email Pat to obtain a keypad code.
Pat explained that the HOA repairs the border wall and only the fencing around the clubhouse/pool/playground/tennis courts, while owners are responsible for their property fence repairs, including the fences on the beach retaining wall on beachside homes. The need for street repairs was discussed including the storm drains on Bayview. Future street repairs will be evaluated.
7. Neighborhood Walk Through Update – Dabney Helms
The walk through pertains to keeping the neighborhood aesthetically pleasing. Dabney looks at what needs to be updated to keep the neighborhood beautiful and in compliance with our governing documents. She reported that our neighborhood is looking good. She highlighted the need for each property to have visible address numbers for security and medical emergencies. Enforcement of this item was discussed. Also discussed was the battle with rust on garage doors.
8. Security Update – Barbara Hays
Barbara discussed the 15% increase in security costs and the high rate of turnover of guards. Many of the issues the guards deal with pertain to lack of owner communication. Owners that are not in residence in their homes when having (unattended) guests must email Pat with guest arrival dates and the number and names of guests. Pat will let security know to allow the guests entry. Owners who are in residence in The Villas when the guests are expected must speak in person to security with the same guest information. Security will not allow any guests if they have not spoken to an owner IN PERSON about the guests, or if they have not received an email from Pat regarding your guests.
Owner Frank Montenara noticed that the HOA pays sales tax on services we receive here in The Villas, and it is in excess of \$15,000. He suggested we apply for tax exempt status as we are a Texas not for profit corporation and has agreed to follow up.
9. Current Tally on CCR/By-Laws Amendment Vote – Pat Marchan
The current tally on the CCR vote and the votes needed to change the CCR and the By-Laws were discussed. New Texas laws went into effect in 2021 that overrule some of our CCRs. These state-changes will have to be followed regardless of votes, but to officially change the wording of our CCRs requires a majority vote of the membership. And the By-

Laws amendment sets a 3-year term for Board directors. The amendments still need at least 14 owners to vote to reach the majority threshold.

10. Pool Heating Dates for Winter Months – Barbara Hays
Thanksgiving dates will be November 23-30
Christmas dates will be December 21, 2024-January 3, 2025
Easter is not scheduled for heat because of late date (April 20), but will be re-evaluated in April depending on the weather.
Gerry discussed the lack of ability to keep the pool heated to a usable temperature if the air is too cold, and that the pool heater will be shut off temporarily if the ambient temperature is such that pool temperature cannot be maintained above 84 degrees.
11. A question was asked if the HOA had ever evaluated the need for 24-hour security by looking at the problems involving security intervention for each of the three shifts. After a lengthy discussion ensued, President Barbara Hays noted that at one time here there was only a day shift, then a day and evening shift, but the large number of rental properties were creating a lot of problems; thus in 2013 The Villas went to round-the clock security, and implemented Rules for Renters limiting the number of people allowed per rental, and a no guest policy for rentals. Security must and does enforce this policy and rental nuisance issues have been at a minimum since then. She also assured the owners at the meeting that the Board is constantly looking at ways to reduce security costs to the owners, such as the significant increase in rental packet fees implemented this fiscal year.
12. The meeting was adjourned by President Barbara Hays at 12:12 p.m.

Respectfully Submitted,

Cindy Geletzke