

# CAT MOUNTAIN HOMEOWNERS ASSOCIATION, INC.

## ANNUAL MEETING OF THE MEMBERS

**Date:** February 20, 2013  
pm

**Time:** 7:00

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

---

1. CALL TO ORDER. 7:10 p.m. Present at the meeting were: the Directors (Bryan Harter, John Harrison, Davison Grant, Marc Dully, and Lee Blanchard); the Manager (Jesse Chargualaf); 34 individual homeowners in attendance; and 150 members either personally attending or by proxy. The number of homeowners required for a quorum was 143. Mr. Harter, the President, called the meeting to order and called on each of the other members of the Board of Directors to introduce themselves.

### 2. APPROVAL OF 2012 ANNUAL MEETING MINUTES.

Mr. Ed Gardner moved that the draft minutes of the February 22, 2012 annual meeting of the members be approved; seconded by Mr. Harrison; the motion was unanimously adopted.

### 3. COMMITTEE REPORTS:

- a. Communication Committee. The Chairman of the committee, Mr. Harter, reported on the activities of the Communications Committee, discussing the Association's website and the arrangements to replace the "Cat Mountain Views" newsletter, previously published at no cost to the Association by N2 Publications, with a newsletter published on the Association website. Mr. Harter urges homeowners who had not already done so, to provide an email address for them to which the newsletter could be sent and other topical information about the Association or other matters of local concern could be provided. Mr. Harter also discussed the creation of an Association Facebook which members could visit for additional information of interest.
- b. Environmental Control Committee. The Chairman of the committee, Mr. Blanchard, reported on the activities of the ECC as being a key factor in assuring the preservation of the character of the neighborhood and preserving the value of the homes in the neighborhood. Mr. Blanchard described the strength of the ECC being its members' participation in these important community functions. He commended the members for their exemplary attendance record. Discussion followed in which certain homeowners in attendance asked questions about particular aspects of the plan review process and the ECC's approach to construction.
- c. Reserve Committee. The Chairman of the 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 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. Mr. Grant mentioned that maintenance of an adequate reserve is a means of helping to preserve the value of homes, by planning adequately to avoid the need for unexpected special assessments.

when the need to make repairs to the Association's infrastructure arose. Mr. Grant explained that past Boards had recognized this by establishing a dedicated cash reserve of \$102,000 and then, starting in 2007 adopting the policy of adding \$35,000 a year to replenish and build up the cash reserve. As of the end of 2012, the cash reserve was \$241,000, which was within the range of the targeted level of \$253,000, based on the target in the Bylaws of \$150,000 in 1991 dollars escalated for the Cost of Living Index. Mr. Grant indicated that capital expenditures of \$45,500 were budgeted for 2013. The projects slated to be performed during 2013 include resurfacing of two cul-de-sacs, which were not included in the resurfacing of all of the Association-owned streets during the period 1998-2005 when the rest of the streets were resurfaced, replastering of the swimming pools which needs to be performed periodically, and replacement of miscellaneous equipment.

- d. Social/Activities Committee. The Chairman of the committee, Ms. Charlene Casillas, reported on the activities during 2012 and anticipated to be held during 2013. She described the activities of the Book Club and the Wine Club that the Association had formed and invited homeowners who had not attended to attend one of the upcoming events of these clubs. Three social events were held during 2012: the Easter Egg Hunt; the Summer Barbeque; and the December Holiday Party, and these events will be repeated during 2013.
- e. Welcome Committee. The Manager, Jesse Chargualaf, reported on the activities of this committee during 2012. The committee greets new homeowners and delivers a basket of "goodies." Interested homeowners that would like to be part of the fun should contact the Manager or Ms. Nishi Goel, the Chairman of the committee about joining it. Also, homeowner or merchant contributions of "goodies" are solicited to make the presentation to a new homeowner.

#### 4. PRESIDENT'S REPORT

Mr. Harter, the President, provided a report of the Association's activities during 2012, highlighting the program that the Association instituted to systematically address potential reduce the risk of wildfire which the prolonged drought during 2011 the continuing dry conditions in 2012 exacerbated. The program involves removing dead brush, trees, and limbs and other combustible materials in the Common Area. The Association owns substantial areas designated as wilderness in which it has implemented the program by systematically targeting areas in which substantial potentially combustible materials near dwellings are present. But homeowners must take action as well, by removing combustible materials on their property. Mr. Harter stated that the experience with the Bastrop and Steiner Ranch fires indicated that homeowners should remove combustible materials on their property near their house and urge the homeowners to take appropriate action. Because of its strong financial condition, the Association was able to incur the substantial unplanned costs of commencing and accelerating the program to remove combustible materials. Mr. Harter thanked the members for their cooperation with the activities in this respect and especially called out for praise the Manager, Jesse Chargualaf, for going well beyond and above the expected call of duty.

Mr. Harter also discussed activities conducted in 2012 including the tennis court resurfacing which had been the major capital project during the year and the audit of the Association's financial statements for 2011 in accordance with the Bylaw's requirement of an a financial review by an independent accountant every other year. Mr. Harter also discussed that the pool replastering which is expected to be completed by April involves also bringing the larger pool up to City Code requirements by the

installation of dual drains in it. Mr. Harter also indicated that it appears from bids received, that the resurfacing of the two cul-de-sacs scheduled for 2013 will be completed at a cost within the budgeted amount.

Mr. Harter concluded by stating that he looked forward to serving the interests of the members during 2013.

## 5. FINANCIAL REPORT

Mr. Grant, the Treasurer, reviewed the Association's financial statements for 2012, consisting of the Balance Sheet and the income Statement. The Association had positive net change in members' equity in excess of \$40,000. This result was primary due to: (1) receipt in 2013 of insurance proceeds of \$30,000 related to litigation which the Association had been involved in 2010-2012 and (2) a substantial reduction in legal costs due the settlement of the litigation and reductions in other costs.

Mr. Ed Gardner made a motion to approve the financial report; the motion was seconded by Mr. Harter; the motion was unanimously adopted.

## 6. ELECTION OF DIRECTORS

The President indicated that two positions for Directors were up for election at the meeting and that two candidates had submitted their names earlier this year in response to the letter soliciting candidates for the two-year term beginning in 2013. The candidates were Marc Dully and Lee Blanchard. Mr. Harrison, the Election Judge, indicated that out of the 150 proxies received for the meeting, Mr. Dully received the votes of 98 to fill one of the two Director positions open and Mr. Blanchard received the votes of 112 to fill the other Director position. A motion by Mr. Grant to accept the results of the election was seconded and the motion was accepted by acclamation.

## 10. ADJOURNMENT. The meeting adjourned at 8:13 pm.