



Austin Properties, Inc.
Personal & Professional Management

November 14, 2019

All Owners
Marbella Landing Townhomes HOA, Inc.

Re: Board Meeting Notice – Increase of Assessments

Dear Homeowner:

Please note that a Board meeting is scheduled to be held **November 20, 2019, 6:30 p.m.** at the home of Traci Zahn located at **207 Milby Street, Houston, Texas 77003**. Notice of this meeting has also been posted on the community's webpage and sent by email blast. Please email Rachel Rivera at rrivera@mascapi.com if you plan to attend.

The Board of Directors have prepared the 2020 budget and have determined the current annual assessment amount of \$1,200.00 will not cover the projected expenses for the year 2020, nor fund reserves for future capital expenditures.

Therefore, in addition to a regular Board meeting agenda, the Board will vote to approve an increase of the 2020 annual assessment to \$1,458.61 and to approve a Community Service Fee in the amount of \$341.39 to cover specific costs associated with the budget deficit not covered by the regular annual assessment. Quarterly installments will be offered to all homeowners for the total assessment amount of \$1,800.00.

While the required increase and Community Service Fee will not fund reserves for future capital expenditures, it will cover the foreseeable budget deficit. We have included a copy of the proposed 2020 budget for your review. The 2020 budget only includes very basic expenses for the association.

The Board of Directors and management feel transparency to all owners is at the utmost importance during this transition period from the developer. Thus, we would like to share the events leading up to this demand for an increase. Marbella Landing is a small, 19 unit development, which sought to keep HOA assessments as low as possible. Unfortunately, small developments demand a higher assessment from each homeowner simply because there are fewer homeowners contributing. During the development period, the developer subsidizes expenses of the community, and often times, when the community is turned over to owner control, it is determined the regular assessments are not sufficient to cover association expenses, which is the case with Marbella Landing.

During a budget workshop held in October, the Board explored several options to cover the budget deficit. The options reviewed are provided below for your reference, though neither of these will be considered for approval.

- Option 1. Increase the 2020 assessment to \$1,800.00, and allow it to be paid in quarterly payments, which must be approved at a special meeting by the members.
- Option 2. Increase the 2020 assessment by the allowed 5% (\$1260.00) and implement a special assessment in the amount of \$540.00, which must be approved at a special meeting by the members.

After a thorough review of all proposed options with the association's attorney, it was advised that the documents do not allow a special assessment to be implemented unless it is for a specific capital improvement, such as, driveway or fence replacement, irrigation installation, or another type of major improvement. Therefore, a special assessment would not be a viable option because the purpose of additional funds is to cover the budget deficit for routine maintenance expenses. The attorney further reviewed the association documents and determined the association was allowed under Texas Property Code 204.010 to accumulate the 5% increases in assessments the association could have approved since the association was formed in 2015. In addition to the accumulated increase in the assessment, the attorney advised the association could also implement a Community Service Fee to cover specific expenses of the association. The Community Service Fee would be assessed for the 2020 fiscal year only and does not recur without a further vote of the Board. This is the option which the Board will vote on during the Board meeting November 20th.

- Option 3. Increase the 2020 assessment by the accumulated 5% increases (\$1458.61) allowed under TPC 204.010 and implement a Community Service Fee in the amount of \$341.39 for the purpose of covering specific expenses to cover the deficit. This action does not require the approval at a special meeting of the members.

Please see the attached meeting agenda, which includes the pending issues being addressed with MTY and Architectural Control Guidelines.

Please contact our office if you should have any questions or need any assistance.

Respectfully,



Rachel Rivera, Property Manager
MASC Austin Properties, Inc.

ACCT #	ADMINISTRATIVE	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTALS	OF TOTAL
50500	ANNUAL MEETING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
50800	AUDIT/INCOME TAX RETURN	\$0.00	\$0.00	\$0.00	\$0.00	\$150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150.00	0.42%
51100	BAD DEBTS	\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	3.36%
51500	CERTIFIED DEMAND LETTERS	\$35.00	\$0.00	\$35.00	\$0.00	\$35.00	\$0.00	\$35.00	\$0.00	\$35.00	\$0.00	\$35.00	\$0.00	\$140.00	0.39%
50200	COLLECTION FEES	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$540.00	1.51%
52000	INSURANCE	\$0.00	\$0.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	14.01%
52300	LEGAL CORPORATE	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00	1.68%
52800	LEGAL INDIVIDUAL	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00	1.68%
52700	MINUTES	\$75.00	\$0.00	\$0.00	\$75.00	\$0.00	\$0.00	\$75.00	\$0.00	\$0.00	\$75.00	\$0.00	\$0.00	\$300.00	0.84%
52800	OFFICE EXPENSES	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00	1.68%
53400	POSTAGE	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$300.00	0.84%
53800	PRINTING	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$300.00	0.84%
53700	PROPERTY TAXES	\$10.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.00	0.03%
54500	WEBPAGE	\$25.00	\$0.00	\$0.00	\$25.00	\$0.00	\$0.00	\$25.00	\$0.00	\$0.00	\$25.00	\$0.00	\$0.00	\$100.00	0.28%
	SUBTOTAL ADMINISTRATIVE	\$1,590.00	\$2,450.00	\$2,800.00	\$5,345.00	\$430.00	\$2,450.00	\$390.00	\$2,450.00	\$2,800.00	\$3,450.00	\$2,800.00	\$2,450.00	\$9,910.00	27.76%
	CONTRACT SERVICES														
58400	LAWN CARE	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$10,800.00	30.26%
58700	MANAGEMENT FEE	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000.00	33.62%
	SUBTOTAL CONTRACT SERVICES	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00	\$22,800.00	63.87%
	MAINTENANCE														
60200	ACCESS GATES	\$250.00	\$0.00	\$0.00	\$250.00	\$0.00	\$0.00	\$250.00	\$0.00	\$0.00	\$250.00	\$0.00	\$0.00	\$1,000.00	2.80%
61700	DRIVEWAYS/PARKING	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$300.00	0.84%
62400	FENCES	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$300.00	0.84%
63600	LANDSCAPE IMPROVEMENTS	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$40.00	\$425.00	1.19%
	SUBTOTAL MAINTENANCE	\$335.00	\$85.00	\$85.00	\$335.00	\$85.00	\$85.00	\$335.00	\$85.00	\$85.00	\$335.00	\$85.00	\$90.00	\$2,025.00	5.67%
	UTILITIES														
68300	ELECTRIC	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$960.00	2.69%
69500	WATER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBTOTAL UTILITIES	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$960.00	2.69%
	TOTAL EXPENSES	\$3,905.00	\$2,310.00	\$2,345.00	\$7,680.00	\$2,495.00	\$2,310.00	\$2,695.00	\$2,310.00	\$2,345.00	\$2,680.00	\$2,345.00	\$2,315.00	\$35,695.00	100.00%

Marbella Landing Townhomes HOA, Inc.
Board of Directors Meeting
November 20, 2019
Agenda

- I. Call Meeting to Order**
- II. Call Open Forum to Order**
 - A. Residents Input**
- III. Call Business Meeting to Order**
 - A. Election of Officers**
- IV. Actions between Meetings**
 - A. Summarize Unannounced Meetings, if any**
 - B. Ratify Actions Approved between Meetings, if any**
- V. Approve Minutes of the Previous Meeting**
 - A. August 22, 2019**
- VI. Committee Reports**
 - A. Architectural Control Committee**
- VII. Treasurer's Report**
 - A. Cash Balances**
 - B. Delinquencies**
 - C. Review Financial Report**
 - a. 2018 Audit**
 - D. 2020 Budget**
 - E. 2020 Assessment/Community Service Charge**
- VIII. Management Report**
 - A. Correspondence Received by Association, Directors, Management**
 - B. Association Business and Operations**
 - 1. Annual Meeting – January 15, 2020**
 - a. Vote to Increase Board to (5) Positions –**
 - b. Elect (3) Positions**
 - 2. Management Contract Addendum**

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- C. Common Area Report**
 - 1. Builder Response to Maintenance Items**
 - a. Remotes**
 - b. Gates/Fences**
 - c. Electric Meters**
 - d. Curb Repairs**
 - 2. Gate Maintenance Proposal**
- D. Landscaping Report**
 - 1. Landscape Proposals**
 - 2. Landscape Improvements**
- E. Webpage Report**
- F. Deed Restriction Review**
 - 1. Enforcement Plan**
 - 2. Architectural Control**
 - a. Adoption of Guidelines**
 - b. Review of Existing Improvements**

IX. Executive Session

The Board may convene an Executive Session, as needed, to consider actions involving personnel, litigation, contract negotiations, enforcement actions, attorney communications or other confidential information as allowed under Texas Property Code section 209.0051

- A. Collections**
 - 1. Enforcement Action**
 - 2. Owner's Requests**
- B. Deed Restriction Report**
 - 1. Enforcement Action**
 - 2. Attorney Action**
- C. Interest Rate Resolution**
- D. Deed of Common Areas to Association**

X. Reconvene in Open Session and Report on Actions Approved During Executive Session

XI. Set Date, Time and Agenda of Next Meeting/Adjournment To be determined.