

LAKEWOOD FOREST FUND, INC.

MINUTES OF THE OPEN SESSION MEETING OF THE BOARD OF DIRECTORS OF LAKEWOOD FOREST FUND, INC. HELD ON MONDAY, OCTOBER 3, 2022 AT 7:00 PM VIA ZOOM VIDEO CONFERENCE HOSTED BY BOARD OF TRUSTEES AT 12415 LOUETTA ROAD, CYPRESS TX 77429

DIRECTORS PRESENT

Bob Lewis, President
Boe Bowen, Vice President
Scott Johnson, Treasurer
Martin Cuellar, Trustee
Christy Jones, Trustee (via ZOOM)

DIRECTORS ABSENT

Bobbi Munz, Secretary
Sandy Matto, Trustee

IN ATTENDANCE

Heidi Flores & Shannon Brandt, Lakewood Forest Fund, Inc.
Lieutenant Whiteley, Harris County Constable Precinct 4
Resident(s)/guests present via ZOOM (5)

ESTABLISHMENT OF QUORUM, CALL TO ORDER AND ADOPTION OF AGENDA

Due to the notice of the meeting having been given and a quorum being present, the open session meeting was called to order at 7:00 pm with B. Lewis presiding and S. Brandt assisting in recording the Minutes.

SECURITY REPORT

Monthly Contract Stats from Harris County Constable, Precinct 4 were reviewed which included a total of 178 contract calls for the month of September 2022.

2023 BUDGET APPROVAL

On a motion duly made by B. Bowen, seconded by S. Johnson, through unanimous vote, the board approved the following:

- 2023 budget as presented with the 2023 annual maintenance rate set at \$690.00/per lot.

TREASURER'S REPORT

Financial Overview:

Report Date: September 30, 2022

- Operating Fund: 547,055.05
- Reserve Fund: 707,885.29
- Community Projects Fund: 107,205.04
- Community Projects Fund (Tree Fund for 2022): 7,050.00
- Total Contingency Fund: 25,000.00
- YTD Income: 1,939,350.11
- YTD Operating Expenses: 1,444,799.22
- Collection Rate: 99.2%

CONSIDERATION OF OPEN SESSION MINUTES

On a motion duly made by S. Johnson, seconded by B. Bowen, through unanimous vote, the open session meeting minutes for September 12, 2022 were approved as presented.

OLD/NEW BUSINESS

Discussions/announcements/updates/reviews held regarding:

-OB-01: Open Work Order Report; review of open items

-OB-02: Status updates on:

*OB-2a.-Monument projects/updates

1. Email sent to B. Sharrett, Hardscape requesting that crew pick up monument lettering from office to finish NEP project ASAP.
2. Cypresswood/Grant monument project pending.

*OB-2b.-FY2022-2023 Constable Pct. 4 Patrol Contract

1. Pending receipt of fully executed contract when it is received back from Commissioner's Court

*OB-2c.- Development of HR policy for Fund staff-Defer

*OB-2d.-RFP for Malcomson Road Wall Project

1. RFP sent to contractors on 9-21-2022 with deadline submission date of October 14th.
2. RFP's sent to following contractors:
 - Fence Master
 - Houston Fence
 - Dunn Fence
 - Texas Fence
 - Property Services
 - Rockin' D Fencing
 - Tim's Fence

-NB-01: Ratification of unanimous email vote from 9-15 approving the Law Firm of Rice and Rice to file TRO against Texas Pride Disposal to immediately cease and desist servicing the community for trash and recycling hauling

-NB-02: Ratification of unanimous email vote from 09-16 approving Board/Spouse appreciation dinner approving contract for Perry's Steakhouse & Grille

-NB-03: Administrative updates due to GM resignation

1. On a motion duly made by B. Bowen and seconded by S. Johnson, through unanimous vote, the board approved to remove H. Flores as authorized contact for Alliance Association Bank and Sunflower National Bank and authorize S. Brandt to be assigned as administrator with rights to perform the following functions on behalf of Lakewood Forest Fund, Inc:
 - a. Online banking platform, designated as Online Admin. This individual(s) will be responsible for maintaining the Online banking users and passwords
 - b. Close and Open accounts: Request accounts to be opened and closed
 - c. Designate what individuals will need access to accounts via our online banking site
 - d. ACH: ACH users and processors. Individuals will also be notified of return items for ACH
 - e. Book Transfer: Transfer money between HOA accounts via online banking
 - f. Lockbox: Receive email with lockbox processing reports and research items
 - g. Electronic deposit: Electronic check scanner user
2. On a motion duly made by B. Bowen and seconded by S. Johnson through unanimous vote, the board approved to update Alliance Association bank and Sunflower National Bank master signature card to reflect signers, Scott Johnson, Robert W. Lewis, Shannon Brandt.
3. Administrative duties allocated as follows:
 - a. S. Brandt to take responsibilities of banking, payroll, website/LED board updates, will serve as lead on elevated customer service issues and property management issues, supervision of office personnel
 - b. Part-time contract work designated for newsletter, weekly accounts payable and receivables under the supervision of S. Brandt
 - c. RFP for management services to be sent out by H. Flores prior to departure

-NB-04: LED OEM Partners Proposal SO-166114 for laptop replacement dedicated for LED board

1. On a motion duly made by B. Bowen, seconded by S. Johnson through unanimous vote for approval on LED OEM Partners Proposal SO-166114 dated 09-28-22 for a dedicated laptop for use of the LED board in the amount of \$775.00

-NB-05: Notification of Lakewood Forest Garden Club plant sale

-NB-06: 2023 Billing Agreement for Civic Association

1. On a motion duly made by C. Jones and seconded by B. Bowen, 4 members approved and 1 member abstained to duplicate the 2022 billing agreement and forward to LFCA President for signature.

-NB-07: 2023 HOA meeting dates

1. Jan 2, Feb 27 (annual meeting), Mar 6, April 3, May 1, Jun 5, Jul 3, Aug 7, Sept 11, Oct 2, Nov 6, Dec 4

-NB-08: 2023 Board Candidate Solicitation notice to be posted on HOA website and was/will be included in Oct and Nov HOA e-news; trustee terms expiring at 2023 Annual Meeting are Bobbi Munz, Scott Johnson, Christy Jones, Martin Cuellar.

HOMEOWNER FORUM

Lakewood Forest Civic Association National Night Out
AT&T service for fiber optics request through PCT 3

ADJOURNMENT OF OPEN MEETING SESSION

Open meeting session adjourned at 7:41 pm.

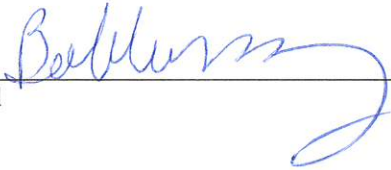
SCHEDULING OF NEXT MEETING

The next scheduled meeting will be held on Monday, November 7th via ZOOM video conference at 7:00 pm being hosted by Board of Trustees at Fund Office, 12415 Louetta Road, Cypress, TX 77429. Meeting ID: N490 416 5823 Passcode: 8Pk2mk

RECAP OF EXECUTIVE SESSION

- Call to Order at 7:42 PM
- Approval for (3) accounts to be referred to legal
- Approval to include special letter in 2023 billing packet for LFCA.
- Update given by General Counsel, S. Rice, Law Firm of Rice and Rice, regarding Notice of hearing and rescheduling from November 2, 2022 for Paul Marshall vs. Lakewood Forest (Case #214100307846); directives given by board to S. Rice
- Update of TRO regarding Lakewood Forest Fund, Inv vs. Texas Pride Disposal LLC, DBA Texas Pride Disposal (Cause No. 22-DCV-297199)
- Considerations for replacing sections of Malcomson/Heatherwick wall; board approved formation of an Ad Hoc Committee comprised of B. Lewis (chair), B. Bowen and S. Johnson to strategize and prioritize replacement of (4) sections of the common area wall running along Malcomson/Heatherwick wall with a final recommendation being presented to the board for vote and final approval
- Board approved settlement offer of Assessment fees of \$3,135, excluding legal fees.
- Approval of the executive session meeting minutes for September 12, 2022 as presented
- Adjournment at 8:04 PM

Approved



Date

11-7-22

Lakewood Forest Fund, Inc.
2023 Budget - Approved October 3, 2022
Assessment rate set at \$ 690.00

INCOME

Assessment Billing (2617 lots)	1,805,730.00	690.00
Late Fee Income	20,000.00	7.64
Legal Fee Reimbursement	78,000.00	29.81
Resale Fees	80,000.00	30.57
Other Income	6,300.00	2.41
Uncollectible Assessments	(10,000.00)	(3.82)
TOTAL INCOME	1,980,030.00	756.60

OPERATING EXPENSES

Accounting (CPA Services for Annual Audit & Tax Return Preparation)	11,620.00	4.44
Insurance (TCPP, D&O, Crime, Auto, Flood)	36,759.00	14.05
Legal (Consultation, Collections & Compliance)	168,000.00	64.20
Misc. Admin Expense	4,500.00	1.72
Other Admin & Property Taxes for Common Areas & Depreciation	26,005.00	9.94
Payroll & Contract Labor (Salaries, Taxes, Benefits Reimbursement)	166,076.07	63.46
IT Consulting, Office Equipment, Clerical Costs & Management Software	46,300.00	17.69
Total Administrative Expenses	459,260.07	175.49
Fund Office/Constable Substation Building Expense	13,500.00	5.16
Grounds Maintenance (Landscaping, Irrigation, Mosquito Spraying)	162,628.00	62.14
Utilities; Street Lights & Monument Wall Lighting	112,500.00	42.99
Utilities; Common Area Watering	20,000.00	7.64
Trash and recycling services	673,358.40	257.30
Security/Constable Patrol (5 officers 70/30 contract)	393,751.89	150.46
Total Maintenance, Utilities, & Service Expenses	1,375,738.29	525.69
Community Events & Outreach	11,000.00	4.20
Total Community Events & Outreach	11,000.00	4.20
TOTAL OPERATING EXPENSES	1,845,998.36	705.39

CONTRIBUTIONS

Community Project Fund (no funding for 2023)	-	-
Reserve Fund Contribution (funding determined thru reserve study)	124,400.00	47.54
TOTAL CONTRIBUTIONS	124,400.00	47.54
TOTAL EXPENSES & CONTRIBUTIONS	1,970,398.36	752.92
TOTAL INCOME	1,980,030.00	756.60
TOTAL EXPENSES & CONTRIBUTIONS	1,970,398.36	752.92
NET INCOME	9,631.64	3.68

Assessment History for Lakewood Forest

2010, 2011, 2012, 2013	\$	514.00
2014, 2015, 2016	\$	520.00
2017	\$	572.00
2018	\$	590.00
2019, 2020, 2021	\$	630.00
2022	\$	655.00

LAKEWOOD FOREST FUND, INC.

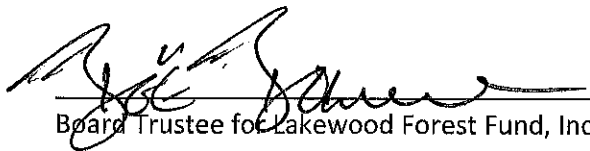
BUDGET AND ANNUAL MAINTENANCE ASSESSMENT RESOLUTION FOR FISCAL YEAR 2023

WHEREAS, the Lakewood Forest Fund, Inc. (hereinafter referred to as "The Fund"), through its Board of Trustees and in accordance with Restated By-laws of Lakewood Forest Fund, Inc. effective May 1, 1995, exercise rights and powers granted under The Fund's Declaration, Articles of Incorporation, or the By-laws.

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees of The Fund, hereby accepts the attached operating budget for fiscal year 2023 as presented.

ALSO RESOLVED, that the 2023 Annual Maintenance Assessment rate be set at \$ 690.00/per lot.

Executed, this 3rd day of October, 2022


Board Trustee for Lakewood Forest Fund, Inc.