

## Discussion of Reserve Funds

The BOD has reserved funds received from flood insurance claims and vandalism claims for the redevelopment and repair of the FCPOA Civic Center and Pool. These funds were the result of diligent efforts by the BOD to collect insurance proceeds from several floods and the resulting damages and vandalism experienced at the complex.

We are fortunate to have one of the finest pools in the Kingwood area and every effort has been made to continue to keep it in operational condition and to make improvements when it has made good sense to do so. The pool was ready for use last year, but due to COVID concerns, the BOD elected to continue to keep the pool closed and will continue to do so until COVID concerns subside and it is safe for residents, guests, and lifeguards to occupy the pool. In addition, there has been and continues to be concern for the safety of our pool with the lack of cleanup by local authorities and knowledge of suspicious persons in the area at all times of the day and night. Safety is and continues to be a top priority of the BOD.

Early on following the severe damage sustained by Hurricane Harvey (and other flooding events in the past), the BOD reviewed options for moving the pool and Civic Center to other property owned by FCPOA. The bottom line is simply that to just rebuild the pool (and not to its current size) would be cost prohibitive and would not necessarily make it any more accessible to residents.

- Access to area behind water wells on Laurel Springs
- Cost of land clearing/drainage
- Cost of new facilities

The BOD is currently reviewing plans to make additional improvements to the Pool and Civic Center. The Civic Center would most likely become an open pavilion with bathroom facilities and provisions for the availability of a food service area for use by FCPOA for events such as our Fourth of July celebrations. Unfortunately, again, due to safety and vandalism concerns until the area across from the Civic Center is cleared and better security of the area can be obtained, the BOD will continue to postpone these renovations. The area will also be improved to provide for multiuse of the Civic Center area with playgrounds and other amenities as funds allow.

Since FCPOA no longer has the Civic Center available for monthly meetings, the BOD has undertaken a project to renovate the second story of the old firehouse for this use as well as use by our community. Much of the work has been completed, but we are still waiting for permitting of an elevator to make the space available to our residents and guests who are mobility challenged. Hopefully, this will be completed by the time COVID restrictions are eased and will allow for face-to-face meetings.

These things have been actively and thoroughly reviewed by BOD to make the most efficient and long-lasting improvements for the community without the need for additional funds to accomplish these projects. It should also be noted that improvements have been made at the marina site as well, even though some of those improvements were damaged significantly by vandalism. Obviously, this area is not a concern for City of Houston. We continue to contact local politicians and law enforcement to improve this, but little progress has been seen. We urge residents to continue to call, write, or email our representatives to get any available assistance in clearing the area across from our complex and improving the overall security of the area.

- Vandalism including destruction of pool equipment such as lifeguard equipment and chairs and equipment being thrown in pool
- Vandalism of civic center including electrical systems and plumbing systems and HVAC systems
- Vandalism of marina area including destruction of new dock
- Contacts with COH, Harris County Flood Control District and Harris County Precinct 4

A quick note as to the financial wellness of our community. Our community collects approximate \$125,000 annually from residents through assessments. Of those funds, historically, approximately 50% is spent each year for the maintenance of the pool and lifeguard expenses. Another 25% is spent on insurance (previously much higher due to flood insurance premiums which are no longer available to us). The remainder is spent on grounds maintenance, repair and maintenance of the old fire station, marina and civic center complex and administrative costs such as accounting firm expense and other community expenses such as mosquito spraying. For many years, the BOD has kept the cost of running FCPOA in line with the amount of assessments that are received. The current BOD has forgone raising assessments in difficult times and with knowledge that our resources are limited.

- Approved expenditure of \$100,00 for renovation of old firehouse to include complete remodel of second story including an elevator, new HVAC system, kitchen, and restroom
- Approved clearing and maintenance of marina area to include a new dock, lighting and other needed improvements
- Pool maintenance including repair of cement walkways around pool which had sunk over time and because of leaks in supply and drain lines, repair of supply and drain lines, rework of filtration systems and pumps and various other repairs to fencing and other amenities
- Approved small cost to secure civic center by welding doors and other security measures

The cost of renovating and improving our current assets has been and is continuing to be a major concern for the BOD. Fortunately, the BOD has worked to conserve funds and will continue to do so to provide for future events such as floods to have available funds to keep these assets in good condition for the use of the community. In addition, the BOD continues to work toward having a reserve of approximately one year of income set aside simply to carry the association through periods when we experience unplanned expenses and to exercise good financial judgement in maintaining and improving our community assets.

It has been noted by the BOD that distribution of the Beacon has not been continuously provided to our residents. Unfortunately, we are a group of volunteers and it requires a significant time commitment to produce this newsletter. The newsletter also cost about \$600 to print and another \$240 to mail. We are also aware that many residents do not bother to read the newsletter when it is provided. Until the BOD can more regularly publish and distribute the Beacon, we will endeavor to post summaries of our meetings on the website as well as notice of our monthly meetings. The website address is [www.forestcove.org](http://www.forestcove.org) .

On a final note, few funds have been expended by the BOD to monitor and proactively work with the purchaser of the prior golf course. The BOD will continue to monitor this situation and respond to the developer to hopefully provide outcomes for the FC community that benefit FC and its residents. As representatives of the residents of Forest Cove, the BOD always appreciates residents' concerns and questions. Residents are encouraged to communicate their constructive comments and suggestions to the BOD.