

SHADOW ROCK HOA 2026 ANNUAL MEETING

Minutes for January 15, 2026

2026 Presiding Board in Attendance:

Stuart Yearout, President
Clint Ayesh, Vice President
James Hurley, Treasurer
Jofrey Ruiz, Secretary
Audra Bell, Member-at-Large

HOA Residents in Attendance:

Duane Osborne, Sai Muntimadugu, Shari Hurley, Tim Zerger, Trinh Nguyen

I. Annual Meeting - Call Meeting to Order

- The meeting was called to order at 7:02 p.m. by Stuart.
- A quorum of members was confirmed as present in accordance with Association governing documents.

II. Approval of November 2025 Board Meeting Minutes

- The minutes of the November 2025 Board Meeting were presented for review.
- A motion was made and seconded to approve the November 2025 Board Meeting Minutes with two amendments. The motion carried by voice vote with no objections noted.
 - Amendment 1: In Section IV – New Business, item (d)(iv), the wording is corrected to state “prepaid dues” instead of “prepaid expenses.”
 - Amendment 2: In Section IX – Adjournment, the Annual Meeting date is corrected to January 15th.

III. Reports

A. President’s Report – 2025 in Review

Stuart provided a summary of key accomplishments and changes during 2025:

- Transition to self-management was completed, resulting in significantly improved responsiveness, including Design Review Committee (DRC) requests now being processed within minutes and typical responses within two to three days instead of several weeks.
- Landscaping work included new plantings and irrigation repairs at the front entrance, improving overall curb appeal.
- Four major pond cleanup days were conducted to address tree overgrowth and debris, enhancing pond appearance and access.
- Pool improvements included repainting parking lines, adding automatic door closers, installing a pool auto-leveler, replacing AC units, and adding security cameras to reduce trespassing.
- Community events, including a Halloween cookout attended by approximately 30–40 residents, helped build neighborhood engagement.

- HOA management software (PayHOA) was implemented to streamline finances, voting, and task delegation, and it successfully supported the recent electronic election, which saw increased participation.
- Stuart noted that while self-management increased Board workload, it has given residents more control and visibility into Association operations.

B. President's Report – 2026 Projects

Stuart outlined the Association's priorities and projects planned for 2026:

- Install pond use and fishing signage, including catch-and-release rules and safety notices.
- Continue tree trimming around the pond to improve views and manage overgrowth; add benches if muskrat activity warrants resident viewing areas.
- Maintain and enhance pool amenities, including Wi-Fi and Bluetooth access for pool card management and resident use, and budget for new pool furniture.
- Continue general maintenance of common areas, landscaping, and irrigation systems.
- The Board reaffirmed its commitment to regular monthly meetings (February–November) and to adhering more closely to meeting agendas to improve efficiency and encourage broader owner participation.

C. Discuss Proposed Pond Aeration Project

The Board and members discussed the proposed pond aeration project and broader pond strategy.

Key points:

- The pond experienced a severe algae bloom in June 2025, attributed to heavy rainfall and fertilizer runoff, raising concerns about oxygen depletion and fish health.
- Three primary treatment elements were reviewed:
 - Fish stocking (estimated initial cost up to \$1,000 for baitfish and related stock).
 - Continued, careful use of copper sulfate as a supplemental chemical treatment.
 - Installation of an aeration system, electrical work, and suitable concrete system platform.
- Aeration requires electrical service at or near the pond, and there are unresolved questions regarding property lines, easements, and authorization to install infrastructure on or across private property.
- The pond is partially shared with the neighboring Cedar Park HOA; Cedar Park owners currently benefit from access but do not contribute financially, which creates cost-sharing and governance questions.

Consensus and actions:

- The Board agreed that a combination of fish stocking and aeration represents the preferred long-term approach; however, additional clarification regarding property boundaries and easement rights is still required.
- A motion was made and seconded to approve spending up to \$1,000 for immediate fish stocking to begin improving the pond's ecological balance. The motion carried. Tim was tasked with coordinating with the fish hatchery and logistics.

- The Board agreed to defer a final decision on aerator installation until the February 2026 Board Meeting, pending clarification of the installation location, easement rights, and any required legal instruments, including potential agreements or quitclaim deeds.

D. Financial Report

i. Review of 2025 Financials

James presented a review of the 2025 financial results.

- 2025 expenses were approximately \$43,267 against a budget of \$49,750, resulting in a positive expense variance.
- 2025 revenue was approximately \$53,000 versus a budget of \$45,000, largely driven by higher transfer fee income due to increased home sales.
- Transfer fees are currently \$475 per home sale and are a legacy charge originally intended to cover manual coordination work; the Board plans to review the structure and purpose of this fee in 2026.
- Interest income from a reserve CD contributed approximately 690, helping boost reserves.
- The HOA ended 2025 with about \$24,000 in reserves, with a policy target of maintaining at least \$10,000 in reserves annually.
- The Board also discussed ongoing insurance coverage, noting current liability limits estimated between \$5 million and \$10 million, and agreed to conduct a formal review to confirm adequacy under the self-management model.

ii. Review and Approval of the 2026 Budget

The proposed 2026 budget was presented as follows:

- Budgeted income: approximately \$51,020.
- Budgeted expenses: approximately \$47,364.
- The budget allows planned projects to proceed while maintaining and modestly growing reserves.
- Key budget assumptions and changes:
 - Storm sewer fees increased from \$912 to \$1,000 to align with City rate changes.
 - A new landscaper, Prairie Lawn, was selected at an estimated \$2,000 higher annual cost, in exchange for more detailed and reliable service, including grub control.
 - Pool maintenance costs are projected to decrease from approximately \$9,000 to \$5,000–\$6,000 by reducing professional service visits from six to three per week and continuing to purchase chemicals directly, while maintaining service quality.
 - The budget includes approximately \$2,000 for replacement of aging pool furniture.
 - Ongoing funding is provided for pool Wi-Fi/Bluetooth services used for pool access and resident connectivity.
 - Approximately \$4,200 is allocated in connection with pond aeration and fish stocking, with a portion already authorized for fish.

Governance and tax structure:

- The HOA is converting its legal status from an LLC to a not-for-profit entity at an estimated cost of \$500 to improve oversight and align with structures used by nearby HOAs; potential tax savings are anticipated but governance improvement is the primary motivation.
- The Board also plans to shift annual billing from December 1 to January 1 to simplify accounting and reduce manual effort.
- A motion was made and seconded to approve the 2026 budget as presented. The motion carried with no objections noted.

IV. Elections – Announcement of the 2026 Board of Directors

Election results were announced and the 2026 Board of Directors was confirmed. The Board welcomed Audra and Clint as newer members and noted the value of their engagement and fresh perspectives.

V. Open Floor (2 minutes each person)

Members were given the opportunity to address the Board for up to two minutes each.

Topics raised included:

- Questions and comments about pond maintenance, aeration, and fairness of cost-sharing with the neighboring HOA.
- Resident feedback on landscaping standards and clarity around definitions of trees versus shrubs.
- Appreciation for the improved responsiveness under self-management and interest in continued electronic communication and voting.
- No formal motions were made from the floor.

VI. Adjournment – Annual Meeting

There being no further business, a motion was made and seconded to adjourn the Annual Member Meeting. The motion carried, and the meeting adjourned at approximately 8:23pm.

Organizational Meeting Minutes (Immediately Following Annual Meeting)

I. Call Meeting to Order

The Organizational Meeting of the Board of Directors was called to order immediately following the adjournment of the Annual Member Meeting.

II. Assign Officer Positions

The Board discussed and confirmed officer roles for 2026:

- President – Stuart.
- Vice President – Clint.
- Treasurer – Jim.
- Secretary – Jofrey.
- At-Large – Audra.

The Board also confirmed Design Review Committee membership for 2026: Sai, Shari, and Trinh.

Key responsibilities were briefly restated:

- President to lead meetings and overall HOA direction.
- Treasurer to manage financials, budget tracking, and coordination of reserve and operating accounts.
- Vice President to support the President and assist with pond and project coordination.
- Secretary to manage minutes, records, and election documentation.
- Board members to oversee landscaping plans, enforce the minimum standard of two trees and five shrubs (minimum four feet in height) in front yards, and support covenant compliance.

III. Adjourn – Organizational Meeting

With officer positions assigned and no additional organizational business, a motion was made and seconded to adjourn the Organizational Meeting at approximately 9:08pm. The motion carried.

IV. Next Board Meeting

The next regular HOA Board Meeting is scheduled for February 12, 2026

Minutes submitted by: Jofrey Ruiz, Secretary