

June 2025

The Downs of Hillcrest quarterly Board meeting was held , May 28, 2025.

Financial Report

- Year-to-date through April, operating profit for the HOA OPERATING Account was \$12.0K positive.
 - In April the HOA received the insurance settlement for the damage caused in the August 2024 traffic accident on Churchill Way in front of the Gate House. The settlement check, for \$12.9K, fully covered the repair work done last year.
 - HOA Legal expenses continue to run higher than historical levels. Year-to-date through April, Legal expense was \$62.2K, with \$57.5K of that related to the 1 Coventry matter. From 2021 through April 2025, the HOA net legal expenses for the 1 Coventry matter totaled \$345.4K. The HOA has recouped legal fees associated with this matter in the past, and we expect to recoup a portion of them in the future.
 - Other expense areas that deviated from budget included:
 - Utilities, which year-to-date were \$14.4K unfavorable to budget due to a March water leak in the Common Area along Milford. That leak has been resolved, and HOA water bills are back to their normal seasonal levels.
 - In April, the HOA had \$23K of unexpected expenses related to the replacement of Downs streetlight poles. A storm in March knocked over the light pole at Milford and Glenncreek Crossing. That pole had to be replaced, and as a precaution, the HOA also had all of the other 35 Downs streetlights inspected. Three other poles were in need to replacement. The work was completed in April at a total cost of 23K.
- Year-to-date through April, operating profit for the HOA RESERVE Account was \$32.4K.
 - In addition to the planned year-to-date contribution of \$16K, the HOA was able to put an additional \$13.5K into the reserve account as a result of two home sales that occurred during the first quarter. This was the first revenue received due to the Transfer Fee Amendment, which passed last December.
 - Including interest income, year-to-date the HOA increased the reserve fund by \$32.4K.
- The HOA Cash Balance at the end of April was \$498K.

“The Rock Project” is a long term project to rebuild or repair waterways throughout the neighborhood. Erosion has made some major changes and we’re addressing them as we have the funding. The overall project is estimated to cost \$175,000.

2024 Annual Audit Treasurer Larry James reported that the annual audit will be completed soon.

Resident Feedback at Board Meeting A number of residents attend board meetings, just to hear the proceedings. This month three asked for time to make requests.

One asked that all residents adhere to the **large group policy** for The Downs, which requires a host of a large gathering to submit a list of expected attendees and to provide for extra gate attendants if delays at the gate are expected.

Overnight parking on Downs streets was also mentioned. it is a violation of Downs CCRs.

And there is apparently one home being used for **loud and late parties** – residents are advised to call 911 to complain.

One attendee asked about legal costs concerning **1 Coventry** (see the report below)

A third spoke about 1 Coventry as well.

Downs of Hillcrest Board officers After a new Board is elected each March, the Board then chooses its officers. Newly appointed offices are:

President	Tom Schober
Treasurer	Larry James
Vice President	Charlie Miller
Vice President	Richard Verret
Secretary	Kent Hofmeister

The Feldhendlers’ Latest Offer and Legal Updates

The Board was asked to provide updates on the ongoing legal issues with 1 Coventry Court and status of the most recent offer by the Feldhendlers.

1 Coventry Court Legal Update: The 1 Coventry Court owners have two petitions in front of the Supreme Court of Texas, both parties had provided briefs early this year and everyone is waiting for the Court to decide the next steps.

JUST RECEIVED THIS WEEK The Supreme Court of Texas has just requested a full briefing of 1 Coventry’s Petition for Review. The notice merely states that 1 Coventry’s Petition for Review “remains under consideration by this Court.” 1 Coventry’s deadline to supply that additional briefing is June 30; the HOA response brief will be due July 21. This should not be interpreted that the Court has decided to grant a review of the case.

3 Coventry Court Legal Update: There is no change since the annual meeting. 3 Coventry lost in district court, then appealed to the Court of Appeals. Both parties have provided briefs and we are all waiting for the Court to decide on next steps.

The Feldhendler Offer

In April, the Feldhendlers submitted an updated offer to the HOA. It was primarily the same as the one from last summer, with the biggest change being: offering \$2000 to each homeowner, up from the previous \$1000 offer.

In addition, Moshe Feldhendler sent out an email to many in the community on or around May 25 discussing the offer and providing a copy of it. President Tom Schober responded to an inquiry about the offer at the May 28th Board meeting, and here is a brief summary of that response:

1. The HOA had responded to the Feldhendlers' legal team and rejected the April offer.
2. The HOA believes the latest offer is not favorable to the HOA and has rejected it.
 - a. The Feldhendlers would receive free land from the HOA, and avoid expenses that might include fines, fees, paying the HOA's attorney's fees and costs to remove 1 Coventry from the HOA. Tom estimated the value to them is in excess of \$300K.
 - b. The offer did not include payment of any money to the HOA, only to residents.
3. Today, as part of the HOA, any construction on the lot would need to be approved by the Downs Architectural Control Committee. If the lot were removed from the HOA, the HOA would have no control of what might be built.
4. While the Feldhendlers signed the original settlement agreement twice, they have been litigating the agreement for almost three years now. The Board does not believe a new agreement of any kind would proceed any more smoothly than the original.
5. The Board does not believe any new agreement would reduce legal fees in the short term.
6. Dr. Fendhendler has stated that the Board does not want to negotiate a final settlement with the plaintiffs. Tom provided the history showing that the Board had engaged in numerous conversations between August 2020 and February 2021, until the Feldhendlers filed the initial lawsuit against the HOA. Both parties participated in a court-ordered mediation hearing on December 9, 2021 and then negotiated the settlement agreement on April 26, 2022.

The Board is waiting for the higher courts to rule on the Feldhendlers' appeals. The Board will continue to defend the HOA and fight to protect the integrity of the neighborhood.

New Annual Meeting Policy covering procedures for Board and property owners

The Board has adopted a policy which basically extends existing Board meeting protocols to the Annual Meeting held in March. A blast by email will be sent to all property owners soon.

Mallards and Canada Geese

It's springtime and the itinerant duck and goose population is again providing entertainment – as well as leaving their marks on sidewalks and common property. They gather daily near the Downs Lake Circle bridge anticipating regular feeding. Walkers passing near them have been mistaken as people with food and have to avoid the eager birds. Since they gather near a busy roadway, traffic often has to stop to wait on them.

Feeding wild animals of any sort is a violation of Article 9 Section 9.27 of Downs CCR's authorized May 15 2019, when we were experiencing a large cluster of feral cats.

SBB Management Report

Representatives from SBB Community Management survey the neighborhood every two weeks for maintenance items and possible violations of CCR's. It's worth noting this schedule will not identify problems of overnight street parking or loud and late parties. So some problems residents experience need to be called in to SBB by homeowners.

Recent maintenance work:

Pressure washing throughout the neighborhood has been completed on streets

Major tree work will commence soon – the plan is to work on 224 trees

New season planting is complete

Flags for Memorial Day

You can thank a hardy group of flag-keepers led by Bill Perry for placing small American flags and some bunting around the neighborhood for Memorial Day, July 4th, and Veterans Day. When the holiday is over they return to recollect the flags, keep them repaired and ready to go the next time.

Runoff for City Council Race June 7

This is your chance to have your vote count more than it usually does – since few people remember to vote in June runoffs. The runoff between Bill Roth and Jeff Kitner for City Council District 11 will be decided Saturday June 7. Please remember to vote. It helps our neighborhood to count in the eyes of elected officials as they know we care.

Downs Connection

Our Fantastic Downs Connection Fillies put on the Kentucky Derby party at Connie Engel's last month. There were prizes for Derby hats and bow ties, trivia contests and great food.

Super Second Sunday Socials The next opportunity for a relaxed meet-your-neighbors gathering will be at Sara McQuaid's 4pm-5:30pm June 8. This event takes place once monthly and will move from home to home throughout the year, finishing in November, because December's already very "social." There's only one hosting spot left to fill - that's November. Call Tory Agnich to grab it.

Book Clubs continue (4th Thursdays at 3pm), also ***Lunch Bunches*** (Women on 1st Thursday and Men on 3rd Thursday). Consult your emails for announcements from Punchbowl for details.

Pond Scum in May

You've seen the yellow film on Downs lakes recently. We asked Magnolia Fisheries what we do about this and the answer is it's pollen, not the algae we see late in the summer. So, we live with it until it naturally dissipates.

Ponds 2 and 3 seem to have had the most pollen-producing trees. The pollen doesn't require treatment. In fact, there are no EPA-approved treatments to eliminate the fine, dust-like pollen film.

This newsletter follows Board meetings for The Downs of Hillcrest. Two websites (www.downsofhillcrest.com and www.owner@sbbmmanagement.com) also serve our property owners. For help accessing one of these websites, please call one of our SBB Community Management representatives, Eusty Hermida or Angie Beene.