

MINUTES

Woodcreek Property Owner's Association

General Membership Meeting

January 19, 2013

Board Members Attending: Mary Merian, Keith Haney, Diane Purcell, Liz Sumter, and Emory Jones.

Call to Order – A quorum being present, President Merian called the meeting to order at 10:01 a.m.

Pledge of Allegiance to the Flag.

Approval of Minutes (Merian): A copy of the Minutes was included in the handout packet and is on the website. President Marian asked if there were any changes, additions or corrections. Dottie Sweeten said that a lengthy discussion regarding the proposed relocation of the business office was omitted. That information will be added to the minutes. Upon a motion made and seconded, the motion was carried subject to the correction.

Treasurer's Report (Haney): Mr. Haney recapped the Balance Sheet reflecting total assets of \$971,758, liabilities of 5,435, and net income of about \$48,462. P&L information was also recapped noting decreased income due to Wimberley Springs Partners unpaid property owner fees. Office expenses were essentially as budgeted, legal fees increased as the WPOA is involved in some lawsuits against Wimberley Springs Partners. Road Maintenance and Repairs was about one-half the amount budgeted. Net income was budgeted to be \$5,000 but was \$48,000. This was shown as net because inability to build and repair some roads because of Aqua Texas Phase I improvements. The 2012 budgeted amount will be spent in the first quarter of 2013. There was a question regarding office salary expense and the \$4,800 MSA savings account now being disclosed and office hours. A motion was made to approve the 2012 financial report, seconded, and was approved.

Proposed Budget (Haney): The membership reviewed a 2012 Recap and 2013 Budget proposed. Included was the A/R carryover, WSP Road Fund, noting no funds received from WSP in 2012 and to be carried over into 2013. The budgeted amount for Permit Fees was not realized in 2012 and will be reduced to \$14,000 for 2013. Total adjusted budgeted income expected for 2013 is \$5,005. Also presented was a list of expected expenses that includes a large increase for insurance of about \$10,000. The WPOA is shopping for another carrier. It was also noted that the IRS disallowed many extensions according to the bookkeeper and imposed a \$2,400 penalty. A refund has been

requested, but only \$100 has been received at this time. We have been told by the IRS that a full refund is in process.

The membership requested a professional audit and one company has presented a \$10,000 bid. Another semi-quote was received this past week and that company is being sent a quote packet. The Board is also following up on a suggestion to contact Texas State University to supply qualified accounting students for an audit. There was a question from the floor on the need for an audit. No professional audit has been done since 2005, but there have been no indications or suggestions of wrong-doing. There was also a question from the floor regarding the amount of money in checking, savings, and CD accounts. It is a good budget practice to have three months of expenses in reserve for emergencies. A motion was made to approve the proposed budget and seconded. The motion was approved.

COMMITTEE REPORTS

Roads (Purcell): El Camino W. in Eagle Rock will be rebuilt in 2013. Aqua Texas has been contacted regarding Phase I and has acknowledged that they have destroyed some roads. Information was also presented regarding new procedures being utilized by Aqua Texas to bury pipes under roads instead of trenching. There are three roads that could be turned over to the County with some improvements.

ACC (Merian): A list of permits was included with the financial information.

Parks/Facilities (Haney): Morrow Park is being utilized and toys being left there will be inspected for safety. Westbrook Park is a rest area. A member complained that the lot that was cleared last year for the possible basketball court has unsightly stumps.

Bylaws (Sumter): Ms. Sumter recognized the good work of the Committee made up of Richard Sullivan, Lisa Czarnecki, and Charles Crook to rework the association bylaws. They intend to have a "town meeting" by June with a first draft. They will review recommendations, make changes and have another community meeting in October with a vote expected in December with director election ballots. The committee meets every second Wednesday at the library at 9:00 a.m. Ms. Sumter asked that anyone with questions or concerns call her at 847-1411.

Wimberley Springs Partners Lawsuits (Sumter): Ms. Sumter requested Mr. Porterfield speak first. He requested four things from the WPOA Board:

1. That the Board stop wasting funds on frivolous lawsuits resulting in dismissal;
2. Support the rights of property owners;
3. That the WPOA stop using an attorney to solve all problems; and
4. Requested transparency and full disclosure from the Board.

Ms. Sumter advised the membership that she has been given full authority by the Board to negotiate with WSP, but they have not been able to come to an agreement. A map of the WPOA areas (excluding Eagle Rock) was shown. Regarding the lawsuits she proposed one of the following:

1. Revote everything;
2. Revote three areas under dispute; or
3. Call a truce and form a "Super Board" composed of three members; one from WSP, one from WPOA Board, and one elected at large.

Ms. Sweeton objected to any of these ideas regarding Section 11 as she and Mr. Scudder led the Section 11 vote to join WSP. An extensive discussion followed regarding lawsuits and objections.

Ms. Sumter was congratulated on her professionalism and lack of emotion and control of the unruly crowd and was asked why the litigants did not want to go to the next level of mediation as it is easier to deal with one Board member. Mr. Porterfield replied that WSP owned the majority of the lots in other sections removed from the WPOA. Section 11 was the first to join WSP where the majority of the lots were owned by individuals, that he has been contacted by owners in other Sections on how to leave the WPOA, feels the survival of the WPOA is in question, and that the WPOA cannot unilaterally take away the right to amend restrictions. Mr. Porterfield was asked about an owner's ability to vote in WSP and he stated the requirements. Section 11 status was questioned. Fees are going into escrow. The Board was asked for a vote from the membership to make the judge's ruling public as it was not understood why it was secret. A vote cannot be taken on an item not posted.

Capital Expenditures (Purcell): A new building has been proposed and it is important to have a discussion on the location, but a vote would cost about \$600. The budget is \$70,000, but the building would need to be rebid as a second floor is being added (to remain unfinished) for storage use. The building permit is good for one year. There was floor discussion regarding deed restrictions, the need for an office in the community, and use of CD funds for the building. A motion was made and seconded to put the new office location out for a membership vote. Approved.

Public Comments:

Bill Bradfield was commended for his work in the community. Mulching was appreciated but a finer mulcher would be appreciated. Bill Bradfield will pick up dead deer in the area. Aqua Texas is going to rework Country Place Drive, probably using directional drilling. The Community Garden is open and a rainwater collection tank will be installed. Aluminum can donations are appreciated. A member called Aqua Texas to have their water shut off for several months and was charged about \$100 to turn it back on. When service was restored, they charged the reconnection fee plus back billing.

Election Results: Some votes were not counted because the ballots were copies and some voted twice. As long as it the copy ballots were able to be verified, they were counted. Five voters were randomly called and they said yes, they had completed the copy ballots so the votes were believed to be valid.

Results: Bill Bradfield – 125
 Keith Haney – 98
 Fred Merian – 109
 Dottie Sweeton – 140
 Chris Scudder – 175
 Charles Crook – 152

On motion made and seconded, the meeting was adjourned.