



Creekwood Ranches Property Owners Annual Meeting 26 October 2013

President David Brown opened the 2013 Creekwood Ranches Property Owners Association (CRPOA) Annual meeting at 12:05 pm with a quorum of 50 property owners present (12 by proxy).

President Brown introduced the present Board members to the attending members.

Annual meeting minutes from 2012 were read by CRPOA Secretary, Don Stutsman. Upon a motion from Brian Horton and second by John Ousset, the 2012 Minutes were accepted by unanimous vote.

The 2013 Treasurer's Report was read by CRPOA Treasurer Carole Stegman. John Ousset questioned if any income had been placed in savings during the previous year and Treasurer Stegman responded it had and the amounts were detailed in the Balance Sheet provided each attendee. On a motion from Vernell Adams and second by Ben Duncan, the 2013 Treasurer's Report was accepted by unanimous vote.

President Brown discussed three important annual dates or events in the community; Annual Yard Sale in May; Annual Assessments due on 1 June; and the Annual Meeting in October. He also stressed that No Hunting in any form is allowed within the community and added there had been at least one instance recently wherein a doe had been found shot with an arrow. President Brown reiterated that anyone suspecting illegal hunting activities should report their concerns to the Comal County Sheriff's Office and/or the State Game Warden. President Brown discussed a Halloween

costume contest and hayride for the young people in the community to begin at 3:00 pm in the community park.

President Brown requested Secretary Stutsman address information concerning management of the CRPOA should insufficient members of the community be elected to form a viable volunteer Board of Directors. Secretary Stutsman informed attending members they had received a document at sign-in which discussed the Board's efforts to obtain estimates for commercial management of the CRPOA. Three estimates were sought with only one company responding. Based upon the estimate received (\$545.00 annually); to break even on annual income and annual expenses, Annual Assessments would have to be immediately increased by 10% each year for at least 4 years and Annual Special Assessments beginning at \$43.00 in the current year and decreasing to \$0.00 in year four. All estimates were based on the assumption that costs for commercial management did not increase during years one through four.

President Brown opened the floor for questions and comments from attendees.

Mr. Scott Shepherd III repeated his 2012 concern that vines growing on the CRPOA sign at the entrance should be removed as he felt they may damage the rock wall and were detracting from the appearance to the neighborhood. Following a short discussion, it was determined Mr. Shepherd was referring to Pyracantha shrubs growing adjacent to the east wall of the entrance. The matter was put to vote of the attending members and only Mr. Shepherd was in favor of removing the shrubs.

John Ousset stated he would like to see the Board arrange for a dumpster to be placed in the community park for a few days each Spring for member use to clean-up around their properties. A lively discussion was held concerning hazardous materials being placed in the dumpster in years past as well as the issue with some property owners placing large items such as mattresses and sofas on the ground outside the dumpster in previous years. Following much discussion, Mr. Ousset volunteered to put together an information package covering costs/benefits of having a dumpster made available. The matter was tabled pending Mr. Ousset's research and presentation of information. Mr. Ousset also stated he would research data concerning possible hazardous materials disposal offered by Comal County. Mr. Ousset also discussed privacy concerns concerning email

broadcast to property owners and indicated this process requires a “White List Server”. The matter will have to be researched by the CRPOA Board to ensure personal privacy of the property owners is not compromised by the sending out of community information.

There being no further discussion from the floor, President Brown thanked Treasurer Stegman and Secretary Stutsman for their service, noting each would be vacating their positions on the Board following the meeting.

President Brown noted there had been a substantial increase in interest of property owners for service on the CRPOA Board of Directors. He further thanked those volunteering for Board service.

President Brown indicated the following property owners had volunteered for Board service and he placed in nomination each of the following members for At-Large positions on the CRPOA Board of Directors. His nomination was seconded by Don Stutsman. Each member was individually placed before those attending for vote. Each nominated member was elected by unanimous vote of members attending and no opposition votes were cast. Each of the following named property owners were elected to the CRPOA Board of Directors as Directors At-Large. Those elected members to serve in positions of Vice-President, Treasurer, and Secretary would be determined by members of the Board at their initial meeting.

ALLEN, Paul
BANFIELD, William
BEISSNER, Edward
HORTON, Brian
KING, Gurney
OUSSET, John
PATTON, William
POTTER, Terry
POTTER, Jean
SENUKIS, Gregory
SIEBOLD, Eric
STRATTON, Lisa
STRATTON, Timothy
STREMMEL, Ruth
TABAK, Debra

There being no further business brought before the assembled Board and members; Grace Duncan motioned that the meeting be adjourned with a second from Don Skrovan. On unanimous vote of the assembled members, the 2013 Annual meeting was adjourned at 1:15 pm.

Tickets were drawn for centerpiece mums and a decorative holiday wreath. Those holding proper ticket numbers were awarded one of ten mums and the wreath.

Tickets were drawn for three \$25.00 door prizes and those members holding proper tickets (Helene Hutter, Geraldine Ledenham, & Scott Shepherd) were each awarded a check for \$25.00.

Following the drawings CRPOA sponsored lunch was served.

Attachments:

1. Creekwood Ranches Property Owners Association, Inc. 2013 Annual Income & Projected Expenditures through December 31, 2013
2. Creekwood Ranches POA, Inc. – Balance Sheet as of October 24, 2013
3. Creekwood Ranches POA, Inc. – Profit & Loss Statement, January – December 2013
4. Annual Assessment Collection
5. Fifteen dollar Late Fee
6. Volunteer versus Contracted Commercial Management of CRPOA

**Creekwood Ranches Property Owners Association, Inc.
2013 Annual Income & Projected Expenditures
Through Dec. 31, 2013**

Approved 2013 Budget at 2012 Annual Meeting	\$ 16,018.00
2013 Dues Collected through 10/23/2013	\$ 15,090.00
2013 Dues Uncollected	\$ 710.00

Expenditures 2013

Property Tax – Common Areas	\$ 45.00
Required Liability Insurance	3,500.00
Utilities – Street Lights	1,105.00
Website	172.00
Maintenance – Park & Front Entrance	2,380.00
Signage	374.00
Printing & Postage	500.00
Office Supplies	282.00
Income Tax – Bookkeeping	1,700.00
Legal Fees	908.00
Events – Community Garages Sale	243.00
Annual Meeting & Picnic	1,376.00
 Total 2013 Expenditures	 \$12,585.00
 Proposed 2014 Budget	 \$12,585.00

9:35 AM
10/24/13
Cash Basis

Creekwood Ranches POA, Inc.
Balance Sheet
As of October 24, 2013

	<u>Oct 24, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Blanco Bank CD 717	38,005.47
Blanco Natl Bank 6700	18,177.80
Total Checking/Savings	<u>56,183.27</u>
Total Current Assets	<u>56,183.27</u>
TOTAL ASSETS	<u>56,183.27</u>
LIABILITIES & EQUITY	
Equity	
30000 - Opening Bal Equity	36,137.43
32000 - Retained Earnings	10,923.34
Net Income	9,122.50
Total Equity	<u>56,183.27</u>
TOTAL LIABILITIES & EQUITY	<u>56,183.27</u>

9:26 AM
10/24/13
Cash Basis

Creekwood Ranches POA, Inc.
Profit & Loss
January through December 2013

	<u>Jan - Dec 13</u>
Income	
Dues for 2008	75.00
Dues for 2009	75.00
Dues for 2010	200.00
Dues for 2011	300.00
Dues for 2012	1,100.00
Dues for 2013	15,090.00
Interest Inc	30.99
Late Fee	597.00
Lien Fees	48.00
POA Transfer Fee	700.00
Total Income	<u>18,215.99</u>
Expense	
Annual Meeting	623.97
Community Maintenance	137.62
Community Yard Sale & Picnic	242.72
Insurance	3,491.95
Legal-Prof Fees	
Lien Fees	16.00
Legal-Prof Fees - Other	1,385.00
Total Legal-Prof Fees	<u>1,401.00</u>
Office	282.30
Park / Front Maintenance	1,570.00
Postage and Delivery	193.01
Printing and Reproduction	212.71
Utilities	
Electricity for Street Lights	824.55
Telephone	113.66
Total Utilities	<u>938.21</u>
Total Expense	<u>9,093.49</u>
Net Income	<u><u>9,122.50</u></u>

Annual Assessment (Dues) Collection

An Annual Assessment of \$100.00 is authorized by **Article III, section 3.05** of the CRPOA Bylaws on file with Comal County.

Bylaws **Article XIII** provides that "The Fiscal year of the Association shall begin on the first day of June and end on the 31st day of May each year.

In early May of each year, Annual Assessment invoices are mailed noting the assessment is due and payable not later than 1 June.

On or after 30 June, a **Past Due Notice** is mailed to any member delinquent in dues payment. This notice reminds the member of the obligation to pay the Annual Assessment and informs the member a Late Fee of \$15.00 has been added to his or her account. This notice further informs the member that if they are experiencing any form of difficulty in making payment, they can contact the Association Treasurer to set up a payment plan to satisfy the account. Finally, the notice informs the member of the need to file a Property Lien if the account is not satisfied or a payment plan established after 30 days from the date of the notice

On or after 30 days from mailing of the Past Due Notice a **Final Notice** is sent delinquent members via Certified Mail informing the member the account is at least 60 days delinquent. This notice informs the delinquent member a Property Lien will be filed on or after 15 days from receipt of the certified mail document if the account remains unpaid and there has been no payment plan established.

On or after 15 days from the date of receipt by the member of the Final Notice (verified by return receipt) liens are filed against appropriate properties.

Should you assume the original invoice does not arrive until 15 May, there remains a total elapsed time of 90 days from invoice to potential lien.

Fifteen dollar (\$15.00) Late Fee

The application of a \$15.00 fee to delinquent accounts was established to cover increased cost of collection charged by the Association accounting service.

The Late Fee is neither an increase of the Annual Assessment nor application of a Special Assessment. Annual and Special assessments apply to every CRPOA equally across the board. The late fee attaches only to delinquent accounts.

Mail only costs – delinquent account:	2 Letters @\$0.46	\$0.92
	1 Certified Mail @ \$4.81	\$4.81
	Total :	\$5.73

Bookkeeping costs increased by \$50.00 monthly due principally to increased workload in tracking and processing delinquent accounts.

The CRPOA Board established the late fee as an administrative cost recovery means during the April 2013 Board meeting. The burden of collecting delinquent accounts should not be borne by members current in their accounts.

Volunteer versus Contracted Commercial Management of CRPOA

Should a Board of Directors not be empaneled during the 2013 Annual Meeting CRPOA must consider contracting with a commercial entity to perform management functions for the Association. This is required due to CRPOA being a mandatory POA community as determined by Article III, section 3.01 of the CRPOA Bylaws.

After soliciting bids for commercial management, the lowest bid received was \$545.00 monthly or \$6540.00 yearly. With 157 property owners currently in the Association the 'break even' assessments would be as follows:

Year 1 -	Annual Assessment	\$110.00 (includes 10% CRPOA Board directed increase)
	Special Assessment	\$ 31.65
	Total year 1 costs	\$141.65
Year 2 -	Annual Assessment	\$121.00 (includes 10% increase over year 1)
	Special Assessment	\$ 20.65
	Total year 2 costs	\$141.65
Year 3 -	Annual Assessment	\$133.00 (includes 10% increase over year 2)
	Special Assessment	\$ 8.65
	Total year 3 costs	\$141.65
Year 4 -	Annual Assessment	\$146.00 (includes 10% increase over year 3)
	Special Assessment	\$ 0.00
	Total year 4 costs	\$146.00

The foregoing assumes costs of contract management would **NOT** increase during years 1 through 4.

Once increased, Annual Assessments will remain at the established level in perpetuity unless reduced by vote of 25% the members at an Annual or meeting called for that purpose.

The 10% Annual Assessment represents the maximum increase which can be levied by the Association Board without vote of 25% of the membership.