

**MINUTES OF THE REGULAR MEETING
LAGO VISTA PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS**

June 11, 2009

RECITATION OF AUTHORITY

The meeting of the Board of Directors of the Lago Vista Property Owners' Association was held at the Activity Center, 2601 American Drive in the Bluebonnet Room on Thursday, June 11, 2009 at 7:30 pm. Board members present were President David Freeman, Vice President Gary Gates, Treasurer Richard Gibson, Secretary Dave Shafford and Director Ginger Halsted. The Directors present are authorized Directors constituting a quorum for transacting business.

CALL TO ORDER

The meeting was called to order at 7:30 p.m. by President David Freeman. Eleven members were in attendance.

OPEN FORUM

Mr. Freeman opened the Member Comments portion of meeting.

The first question came from **Jim Karolik** who asked about the two upcoming Board positions. **Mr. Freeman** responded that Ms. Halsted and Mr. Gibson's positions are up for election. Ms. Halsted is not running again but Mr. Gibson is. **Mr. Gates** interjected that there are seven people on the active list but only two who have fulfilled the requirements by submitting a 400-word biography and photo.

The next comment was from **Rise Johns** who stated there is some negativity in the community about the POA, right or wrong. She asked what the rationale is behind not allowing a non-POA member just to sit in on the meetings. **Mr. Freeman** responded that they might sit in but cannot participate; it is a meeting for members only. **Ms. Johns** stated it might be an opportunity for better understanding in the community. **Mr. Gibson** said the BOD would review their existing policy to determine if they want to make any changes for the future.

Bill White spoke about the overcrowding at the POA administration office. He stated that he has lived across the street for 24 years and that parking is overflowing onto the neighbors' property, and noise starts at 4:30 a.m. He said the building was never intended to be any more than an administration office yet it now houses the Ranger program, heavy equipment, etc. He doesn't understand why the steel buildings at Bar-K and the campground are not being utilized. He asked that the BOD consider separate facilities for these other functions. **Mr. Freeman** responded that the long-term plan is to build another facility at K-Oaks since we have several acres there. He also stated that the building at Bar-K houses the Parks staff and is filled with a workshop, storage for lawn mowers, the backhoe and other equipment. The consolidation in the Admin building is largely due to the fact that the staff is reliant on computers now and everything runs from one network. **Mr. White** provided a handout with photos and a short

synopsis of his concerns to Mr. Freeman. **Mr. Freeman** said he couldn't guarantee any action in the near future but thanked him for voicing his concerns.

With no additional member comments, this portion of the meeting was closed.

APPROVE MINUTES (SHAFFORD)

Secretary Shafford presented the May 2009 Minutes for review. Motion to approve was made by Mr. Gates and seconded by Ms. Halsted. All in favor; minutes approved as presented.

TREASURER'S REPORT (GIBSON)

Mr. Gibson reviewed the Treasurer's Report which was also provided in the handouts for all attendees. He stated that the Corporate Operating Expenses exceed the budgeted amount by approximately \$12K and the Ranger budget by approximately \$5K. The BOD is looking at the Ranger situation. The 2009 Operating Expenses exceed the budget by over \$134K, mainly due to making the Bar-K building inhabitable again. He then gave the current status of the Certificates of Deposit, Income and Expenses, noted a Current Cash Position of \$760,790 with a Year-End Cash Projection not available until after Bar-K renovation has been completed and drought expenses are finalized. He made the following recommendations: to review/change the 2009 Budget based on Bar-K, Legal and Capital Projects; review the Bylaw revision cost as soon as possible; review the proposed Marina principle payment after Bar-K and drought expenses are paid. No questions or comments arose. Ms. Halsted made a motion to approve the May 2009 Financials and was seconded by Mr. Gates. All in favor; financials were approved as presented.

GENERAL MANAGER'S REPORT (FREEMAN)

- 1. Bar-K Renovation Update:** Mr. Freeman said it has been progressing nicely and hopes for the opening to take place on July 4th. Ms. Halsted brought the dedication plaques for viewing. Once completed, Mr. Freeman said the Pavilion will be available for reservation in two sections, the main portion will be the Grande Pavilion and the smaller section by the swimming pool will be the Johnson Pavilion.
- 2. Un-platted Land within LVPOA Master Plan:** Mr. Freeman stated that the BOD is taking a broad look at all of the un-platted land within the original boundaries of Lago Vista. There are several areas which he listed that could total approximately 578 units to be built over time. Anything offered to one developer needs to be applicable to all of the un-platted land mentioned. The BOD's concern is that LVPOA facilities are already overburdened with demand; with more facilities needing to be built. A buy-in policy was already established for developers who wish to buy a share of the POA's assets. **Mr. Freeman** stated the buy-in could possibly be done as a progressive financial commitment rather than a one-time fee in order to help the developer. **Mr. Gibson** noted that there are very few LVPOA properties outside the flood plain so growth is restricted. He also stated that there are a tremendous number of unoccupied lots in Lago Vista which will add to the existing usage. The subject of which areas are in versus out was brought up by **Rise Johns**. **Mr. Freeman** replied that these plats were identified so long ago; it is not feasible to determine why certain areas were left out. Attendee **Mr. Melican** stated "The

POA is creating themselves a massive problem. You either include everyone or you exclude everyone or you're open to a massive lawsuit." **Mr. Freeman** stated that LVPOA policies are done with the attorney's legal blessing. **Mr. Melican** responded "Okay, you may need him." **Rise Johns** then brought up the Waterside Oaks development which she says she worked for 2 ½ years to get into the POA only to find out they should have always been in the POA. **Mr. Gibson** said there have been inconsistent policies in the past but they are working to prevent that from happening again. **Rose Melican** said she used to serve on the BOD and now resides at Vista Villas. She said she feels the BOD should consider the percentage of new residents who will actually be using the facilities versus the income generated. **Mr. Shafford** said that new facilities cannot be built on the \$125 per year annual assessment. **Mr. Freeman** stated that there is over \$100K owed by people who live in the 78645 area; the people who live outside Lago Vista actually pay their dues at a higher rate than people who live here and those funds "prop up" the local residents who use the facilities. Member, **Greg Bland**, said the comment that over \$100K is owed by residents should be published, if it's legal to do so. **Several members of the BOD** replied that they had already looked into it. It was noted that members with delinquent accounts do not have access to the facilities. **ACTION:** Mr. Freeman agreed to prepare a formal response to Vista Villas regarding their offer for membership.

3. **Candidates for November Election Update:** This subject was covered in the Member Comments portion of the meeting.
4. **4th of July Celebration Update:** Mr. Freeman stated that the Bar-K Grande Pavilion opening will be held July 4th, even if the building is not fully completed.
5. **Anticipated Drought Planning:** Mr. Gibson mentioned this in his Financial Report.
6. **Bylaw Update:** A draft has just been received from the attorney for the BOD's review.
7. **GM Hiring Update:** There were forty-nine applicants and three will be brought back for 2nd interviews. No names were announced in order to protect the applicants' privacy.

ITEMS TO BE VOTED ON (FREEMAN)

Bar-K Floor Refinishing: Mr. Freeman read the quotes from three vendors. Mr. Gibson stated that he was going to vote against refinishing the floors due to the unknown expenses with the drought and associated marina moves. Ms. Halsted clarified the availability of funds, considering the effort to tighten the rest of the budget. Mr. Freeman stated that by holding off any unnecessary projects, there is plenty of money available. After hearing that explanation, a motion to accept the quote from Austin Epoxy Floors was made by Ms. Halsted and seconded by Mr. Shafford. Four members approved; Mr. Gibson abstained; motion carried.

OTHER BUSINESS

No other business was discussed.

ANNOUNCEMENTS

The next meeting will be Thursday, July 9, 2009 at 7:30 p.m. at the Activity Center Bluebonnet Room.

ADJOURNMENT

The motion to adjourn was made by Ms. Halsted and seconded by Mr. Gibson. All in favor and the meeting was adjourned.

Dave Shafford, Secretary
Lago Vista Property Owners' Association, Inc.