

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

October 11, 2007

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, October 11, 2007 at 7:30 pm. Directors present were President David Freeman, Vice-President Ginger Halsted, Treasurer/Secretary Richard Gibson and Directors Bill Brumley and Kurt Tessnow. Also present was General Manager Terry Martin. 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. We had 4 members in attendance.

Member Comments

Member, Faye Tessnow, spoke about the oak wilt affecting many properties, including LVPOA parklands. She noted that this has also taken place in Liberty Hill. She suggested we might try their solution which is to dig a trench around the drip line, place horse manure in the trench and water it in. Ms. Halsted stated that there have been many dead trees removed at the Oaks and would advise the owners of this possible solution. Mr. Brumley inquired as to whether anyone within the LVPOA has contacted the State for their assistance. Mr. Tessnow indicated it had been over a year since this issue was last addressed. **ACTION:** Mr. Freeman requested Mr. Martin follow up to see if we can get assistance from the County or State.

Mr. Freeman added that, with regards to trees in the area, the vandalism done to the trees at Emerald Park have prompted the authorization of a reward. The property owner who would most likely benefit from the tree cutting has been contacted and denied any responsibility. The POA is now offering a \$500 reward for information leading to a prosecution in the case.

With no additional members waiting to speak, Freeman closed the comments portion of meeting.

ITEMS TO DISCUSS

Approve Minutes (Gibson)

The minutes to the September 2007 Regular Meeting were presented.

Motion to approve was made by Director Kurt Tessnow and seconded by Vice-President Ginger Halsted. All in favor; minutes were approved as presented.

Treasurer's Report (Gibson)

Treasurer Richard Gibson presented the September 2007 financials.

Mr. Brumley noted that the Actual Year-to-Date issue should be addressed as he feels it is misleading. Mr. Freeman advised that it would be reviewed and consideration given going forward.

Motion to approve was made by Vice-President Ginger Halsted and seconded by Director Kurt Tessnow. All in favor; financials were approved as presented.

Candidates Night – October 15th (7-9pm)

Mr. Freeman noted that the announcement just ran in the local newspaper, the LOG. He reiterated the date and time for the members.

Marina Proposal (Brumley)

Mr. Brumley presented a Marina Proposal to the BOD and the members in attendance (see attached). He suggested that the marina funds be kept in a separate bank account and maintained as a separate cost center. He said that it is currently separated in the financials but is still somewhat misleading. He then reviewed the specifics of his proposal, making a point that the marinas show a profit each year. He also noted that paying the interest down on the loan every year since 2005, as well as drought expense in 2006 and flood expense in 2007, has still resulted in a surplus. He stated that, when K-Oaks was built, the sitting LVPOA Board and management advised members that they would never have to pay to use K-Oaks Clubhouse because the marina surplus would subsidize the costs. He suggests that the new Board review the practices and consider reserving marina funds for flood/drought and marina-specific repairs/upgrades rather than putting the Marina funds into the General Funds, beginning in 2008. Mr. Freeman stated that Mr. Brumley's proposal will be taken under advisement.

General Managers Report (Martin)

- a. Unauthorized Destruction of Trees at Emerald:** Item was previously covered by Mr. Freeman in the Comments portion of the meeting.
- b. Pay Online Restored and Improved:** Payments for both yearly assessments and marina fees can now be accomplished online.
- c. Vehicles Stickers:** Stickers will be handled differently in 2008. Upon receipt of payment in full, we will mail stickers to the property owner, provide we have all the current vehicle information in our database or it has been provided along with the payment. This will be a "permanent" sticker, meaning it will not be replaced with a new one each year. Unless the member changes vehicles or replaces their windshield, they will continue to utilize the sticker which will have their "OW #", i.e. their Ownership I.D., printed on it. LVPOA park rangers have access to the list of members and will be checking OW #'s to ensure the member is in good standing. Mr. Martin also noted that it is the access card which gives members access to the gated parks and locked facilities so,

even if there is a sticker on a car, a functioning access card is also needed which is only provided to members in good standing.

d. Social Club Membership: The Social Club Member (SCM) designation begins in 2008 and Mr. Martin explained the definition and cost for SCM. The fee is \$15 per year for a single or \$25 a year for a family membership in 2008. This is an annual sign-up. The fee entitles the S.C.M. to take part in any number of organized club activities that are currently utilizing the POA facilities; however, it does not give them individual access to parks or POA facilities. LVPOA staff has met with the leaders of all clubs and groups and received input regarding the new policy. All clubs have provided a list of their members. All club members who are not existing POA members will receive a letter advising them of the S.C.M. membership requirements. The letter will include a sign-up form for them to use, if they wish. They may mail back the form and then receive their membership card in the mail, or they may visit the POA office to sign up. LVPOA staff has offered to attend all club meetings to hand out forms, answer any questions or concerns, and ensure that each group has been correctly advised as to what steps to take for their club members.

ITEMS TO BE VOTED ON (Freeman)

- a. Recommended BYLAWS Change:** A Recommended BYLAWS change to Article XVI, Section 4. Annual Financial Statement and Audit which currently reads as follows:

The Association shall prepare an annual financial statement consisting of a balance sheet and income/expense statement at the end of the Association's fiscal year. The financial records of the Association will be audited by a certified public accountant after the end of each fiscal year.

Recommended Change:

The Association shall prepare an Annual Financial Statement consisting of a balance sheet and income/expense statement at the end of the Association's fiscal year. The Financial records of the Association shall be subject to a complete audit at least every five years by a Certified Public Accountant. A Financial Review will be conducted each year that there is not a complete audit by a Certified Public Accountant. The Board of Directors may call for a complete audit any time that they believe one is warranted.

Mr. Freeman read the existing Bylaw and the proposed change to the members. Mr. Brumley commented that in the past 6 years, there had not been a complete audit in the truest sense of the word until last year. The CPA indicated at that time that it is not necessary to have a complete audit every year, a review is sufficient. The recommended Bylaw change is based on the 2006 CPA's suggestion.

This vote will be taken at the December meeting.

- b. Facility Usage Policy Change:** Under consideration is a facility use policy change when alcohol and minors are present. Based on a recent disturbance at K-Oaks, a discussion was initiated regarding the need for a change in policies. A suggestion was made to include a requirement for a uniformed officer to be present when anyone under 21 years of age is present and alcohol will be served at indoor facilities. This topic created much debate, not the least of which is enforcement, and it was determined that further input is required before making any changes. **ACTION:** Mr. Freeman requested that Mr. Gibson set up a committee to research what other entities do with regards to the use of alcohol in private parks and facilities.

ANNOUNCEMENTS

The next meeting will be Saturday, November 3, 2007 at 10:00 a.m. in the K-Oaks Clubhouse.

ADJOURNMENT

The motion to adjourn was made by Director Bill Brumley and seconded by Director Kurt Tessnow. All in favor and the meeting was adjourned.

Richard Gibson, Secretary
Lago Vista Property Owners' Association